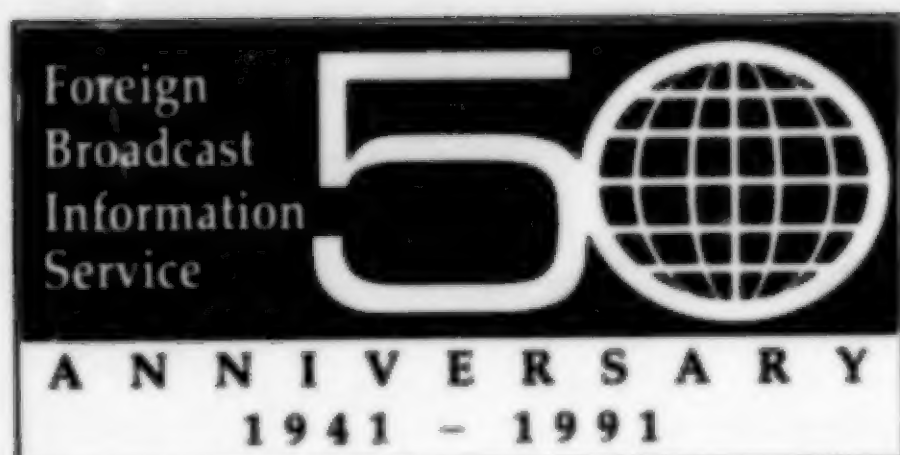




Daily Report

East Asia

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Japan

Spokesman: Bush Visit To Showcase Relations

OW1712105191 Tokyo KYODO in English 1001 GMT
17 Dec 91

[Text] Tokyo, Dec. 17 KYODO—Tokyo sees the visit by U.S. President George Bush next month as an ideal opportunity to showcase a bilateral relationship that is "unparalleled," Chief Cabinet Spokesman Koichi Kato said Tuesday.

Chief Cabinet Secretary Koichi Kato said the visit will also provide an important occasion for Prime Minister Kiichi Miyazawa and Bush to cement their relationship. Miyazawa's aides believe a successful visit could also strengthen the prime minister's political hand at home.

Bush will be the first Western head of state to visit Tokyo since Miyazawa assumed the premiership last month.

Kato said Washington's desire to include economic issues in a joint statement on the next half century of ties should not detract from the harmonious tone hoped for Japan.

"In our unparalleled bilateral relations it is natural that economic issues will be discussed," Kato told a regularly scheduled news conference.

U.S. officials want to include specific trade issues in the declaration, seen here as the focus of Bush's January 7-10 visit.

Washington is expected to use the trip to press for bigger purchases of U.S.-made auto parts, liberalization of Japan's rice market, and deregulation of financial markets.

The "Tokyo declaration" was originally proposed by Japan as an upbeat response to the 50th anniversary of the attack on Pearl Harbor.

Bush had been scheduled to visit Japan as part of a four-nation Asia-Pacific tour shortly before the December 7 anniversary. But the President decided to postpone his journey for domestic political reasons.

Kato said security and political matters, as well as global cooperation would also be taken up during the two rounds of summit talks.

Meanwhile, a Foreign Ministry spokesman said Bush's decision to bring business leaders with him to Japan next month will help consolidate the "global partnership" shared by the two nations.

"For them (U.S. business leaders) to have a first hand opportunity to see the Japanese economy at work and exchange views with the Japanese side, including their counterparts in the private sector, would be a valuable opportunity," acting spokesman Sadaaki Numata told foreign correspondents.

"We feel that it would be important for them through these contacts to develop a further appreciation of the closeness and importance of the relationship between our two countries," he said.

Numata expressed satisfaction that some of the business leaders are from companies that have been successful in Japan such as American Express and Motorola.

He said about 18 of the 21 business leaders invited have agreed to accompany Bush as part of a Commerce Department initiative.

The spokesman said he did not view the impending visit by U.S. business executives as an attempt to pressure Japan on trade matters but that it "is intended to provide them an opportunity to develop a better understanding of the Japanese economy."

When asked whether Tokyo had been consulted by Washington before the invitations went out, numata said "something like this idea has been sort of looked at within Japan itself."

Miyazawa, Watanabe Meet With German Minister

OW1712041891 Tokyo KYODO in English 0404 GMT
17 Dec 91

[Text] Tokyo, Dec. 17 KYODO—Prime Minister Kiichi Miyazawa suggested Tuesday developments in the Soviet Union, the environment, and the world economy as topics for the agenda of the annual summit of leaders of seven leading industrialized nations scheduled for July in Germany.

Miyazawa made the suggestion in a meeting with Horst Kohler, a personal representative of German Chancellor Helmut Kohl, who is hosting the summit, a Foreign Ministry official said.

Miyazawa also told Kohler, a vice finance minister, that discussions on Asian issues such as the Cambodia settlement and peacemaking on the divided Korean peninsula are important.

"The Asian economy will continue to develop in the 21st century and this area is important to the world economy," Miyazawa was quoted saying.

He added politics and economics cannot be viewed separately, the official said.

During the 40-minute meeting, Miyazawa expressed hope that with Germany playing a central role in the European Community, Europe would not turn into a "fortress" that obstructs free trade.

Foreign Minister Michio Watanabe later met with Kohler and told him that massive aid from Japan to the Soviet Union or its successors remains premature.

Officials quoted Watanabe as saying that the government would have trouble getting the public's understanding for such action as long as there is no statement

from Moscow of its intention to return four islands seized from Japan by the Red Army at the end of World War II.

Watanabe told Kohler that as politics and economics are tightly intertwined, it is important for them to be tabled together at the summit, which is nominally referred to as an economic summit.

He noted that the summit is an especially important forum for Japan, which does not share its summit partners access to such other forums as the North Atlantic Treaty Organization (NATO), the Conference on Security and Cooperation in Europe (CSCE), and the so-called P-5, or the five permanent members of the United Nations Security Council.

Watanabe noted that Japan is also in a unique position as it is also the only Asian country among the seven summit members.

Watanabe also told Kohler that Japan is concerned about suspicions that North Korea is trying to develop a nuclear weapons capability.

Officials said he noted in that regard Pyongyang's refusal to allow inspections of its nuclear facilities by the International Atomic Energy Agency (IAEA), despite its obligations as a signatory to the Nuclear Non-Proliferation Treaty (NPT).

Foreign Minister Meets With Soviet Economist

*OW1612140791 Tokyo KYODO in English 1314 GMT
16 Dec 91*

[Text] Tokyo, Dec 16 KYODO—Foreign Minister Michio Watanabe told a top Soviet economist Monday that if Japan is to extend timely assistance to the Soviet Union, it must be told which authorities to contact, Foreign Ministry officials said.

The officials said Watanabe made the remarks in a meeting with Grigory Yavlinskiy, vice chairman of the Soviet Economic Commission, who is visiting Japan as a guest of the ruling Liberal Democratic Party (LDP).

Watanabe was quoted as telling Yavlinskiy that Japan wants to help the Soviet Union or whatever entity or entities emerge from the political upheaval there.

But he said it must first receive clarification on whether the recipient entity is to be the Soviet President Mikhail Gorbachev's union government, that of Russian President Boris Yeltsin's Russian Federation, or the Commonwealth of Independent States being pursued by Yeltsin and leaders of other republics.

The officials said Watanabe was responding to Yavlinskiy's remarks that Western assistance is vital, and that Japan and other members of the West should "show leadership by lending a helping hand."

Such generosity, Yavlinskiy added, would be recorded favorably in history.

Senior Diplomat Discusses 3-Day Visit to Ukraine

*OW1612134391 Tokyo KYODO in English 1324 GMT
16 Dec 91*

[Text] Tokyo, Dec. 16 KYODO—The Ukraine has adequately addressed the key obstacles to Japan's eventual diplomatic recognition, a senior Japanese diplomat said Monday.

Hirokazu Arai, recently returned from a three-day mission to Kiev as a special emissary of the Japanese Government, told reporters that Ukrainian President Leonid Kravchuk and other leaders had dealt with Japan's primary concerns.

Arai said he was assured that the Ukraine will not keep its nuclear arsenal. It also wants to join the nuclear nonproliferation treaty and conclude a nuclear safeguards agreement with the International Atomic Energy Agency (IAEA), he said.

He added that there is good reason to "trust" such pledges, given the Ukraine's suffering from the 1986 Chernobyl nuclear power plant disaster.

But Ukrainian officials intend to share control with Moscow over nuclear weapons on its soil until they can be destroyed, according to the diplomat.

Arai also said he had "no cause to doubt" the Ukraine's stated willingness to abide by international law, as well as its pledge to honor treaties signed by the Kremlin.

He quoted Kravchuk as saying the Ukraine wants to close ties with Japan and that it wants to devise a "legal framework" for entering into diplomatic relations with Japan as soon as possible.

Ukrainian leaders also promised to establish a market-oriented economy and liberalize some prices early next year, he said.

Kravchuk told Arai that the Ukraine can learn a great deal from Japan's experience in nation building, urging Japanese investment and joint ventures.

Arai said Ukrainian leaders also indicated that their agriculturally-rich country plans to provide "emergency food assistance" to neighboring Russia this winter.

Recognition at 'Appropriate Time'

*OW1712041291 Tokyo KYODO in English 0402 GMT
17 Dec 91*

[Text] Tokyo, Dec. 17 KYODO—Japan will recognize Ukraine diplomatically "at an appropriate time" but not before Tokyo's Western allies do, Foreign Minister Michio Watanabe said Tuesday.

"It [is] not necessary for us to jump the gun on other countries with regard to this matter," Watanabe told a press conference after a morning cabinet meeting.

"We intend to extend recognition at an appropriate time after consulting with other major advanced countries," he said.

Watanabe's remarks followed a report to the Foreign Ministry by diplomat Hirokazu Arai, who said Ukrainian leaders provided credible and satisfactory answers to Japan's concerns about nuclear weapons, economic orientation, and ethnic minorities.

Arai recently led a mission to the republic and met its leaders, including new President Leonid Kravchuk.

Tokyo Broadcasting, Russian TV Sign Agreement
*OW1712113591 Tokyo KYODO in English 1046 GMT
17 Dec 91*

[Text] Tokyo, Dec. 17 KYODO—Tokyo Broadcasting System, Inc. (TBS) said Tuesday that it has signed an agreement with the Russian Television to cooperate in gathering news material and program production.

TBS is the first major Japanese commercial network to make such a deal with the republic-run Russian Television.

The contract was signed in Tokyo by TBS President Hirozo Isozaki and Russian TV President Oleg Maksimovich Poptsov.

The Russian TV stands to become more influential as power in the Soviet Union continues to shift away from the formerly dominant Soviet state-run network to independent republic stations.

The Russian network covers nearly 80 percent of the Soviet Union with its 80 TV and 96 radio affiliates, and is popular among Moscow citizens for its favorable coverage of Russian President Boris Yeltsin since starting up in March.

Tamotsu Kuki, TBS news director, said he expects the agreement with the Russian station to vastly improve TBS's news gathering activities in Russia since it is expected to become "a representative broadcasting station of the Commonwealth of Independent States."

No Croatia, Slovenia Recognition While Fighting
*OW1712091391 Tokyo KYODO in English 0843 GMT
17 Dec 91*

[Text] Tokyo, Dec. 17 KYODO—Japan will not recognize Croatia and Slovenia, the independence-minded Yugoslavian republics, while fighting still rages in Croatia, a Foreign Ministry spokesman said Tuesday.

"We feel that for us to go forward with recognition of some of the republics in a situation where there is continued armed conflict would not really be conducive to an early end of the armed conflict," acting Spokesman Sadaaki Numata told foreign correspondents.

"For that reason, we do not contemplate at this point the recognition of Slovenia or Croatia," he said.

Numata said Japan will continue to study this matter carefully, while monitoring the situation in Yugoslavia, as well as positions taken by other western countries in this regard.

The spokesman's remarks came amid reports that Germany will decide Thursday to recognize the two republics as independent states, despite reported opposition of some of its European Community (EC) partners, the United States, and the United Nations.

Bonn reportedly holds the view that recognition could facilitate an end to the bloodshed in Yugoslavia.

Official Visits Seoul To Discuss DPRK

*OW1612142191 Tokyo KYODO in English 1353 GMT
16 Dec 91*

[Text] Tokyo, Dec. 16 KYODO—Noboru Nakahira, Japan's chief negotiator with North Korea, left for Seoul Monday for a four-day visit to discuss North Korea's nuclear development program with South Korean officials.

Foreign Ministry officials said Nakahira is scheduled to hold talks with South Korea's presidential aide in charge of diplomacy and security and senior Foreign Ministry officials.

He is expected to hear Seoul's view on the recent inter-Korean prime ministers' talks and on Pyongyang's moves involving nuclear developments and inspection of South and North Korean nuclear facilities, they said.

The South and North Korean prime ministers signed a historic agreement of reconciliation and nonaggression Friday, paving the way toward ending more than 40 years of hostility on the divided peninsula.

Agreement With PRC on New Air Route to Europe
*OW1412143591 Tokyo KYODO in English 1319 GMT
14 Dec 91*

[Text] Tokyo, Dec. 14 KYODO—China has agreed in principle to allow Japanese commercial airliners to fly through its territorial air space en route to Europe, government officials reported Saturday.

The agreement, allowing Japan to use what is tentatively called the new silk route, was reached in aviation talks held between the two countries Saturday, the officials said.

They said the new route will link Japan and Europe via air space over the Korean peninsula, the Sino-Mongolian border, Tashkent in the Soviet Union, Turkey, and Greece.

The new air link will shorten the flying time between Japan and southern Europe by about one hour, the officials said.

Details of the service will be worked out by experts from the two countries in future negotiations, they said.

The two nations also agreed to designate two additional airports in their respective countries to meet a growing demand for passenger and cargo transport, the officials said.

KDD, PRC Sign Telecommunications Contract

OW1412104991 Tokyo KYODO in English 0831 GMT 14 Dec 91

[Text] Tokyo, Dec. 14 KYODO—Japanese and U.S. international telecommunications giants signed a contract with China on Saturday to lay seabed optical fiber telecommunications cables linking Japan and China.

The signing ceremony was held in Beijing between Kokusai Denshin Denwa Co. (KDD), American Telephone and Telegraph Co. (AT and T), and the Chinese Ministry of Posts and Telecommunications, KDD officials said.

The 10 billion yen project will be invested 50 percent by China and 25 percent each by KDD and AT and T, they said.

Under the plan, 1,250 kilometer-long optical telecommunications cables will be laid under the sea between Miyazaki, southern Japan, and Shanghai, the officials said.

The laying of cables of 7,560 telephone lines will be completed in December 1993, they said.

Communications between Japan and China, which have coaxial cables, are expanding at an annual pace of nearly 30 percent.

Prime Minister on International Contribution Tax

OW1712072391 Tokyo NHK General Television Network in Japanese 0300 GMT 17 Dec 91

[Text] Following the cabinet meeting today, Prime Minister Miyazawa met with Foreign Minister Watanabe and Finance Minister Hata. They agreed that although it is necessary to create a new budgetary framework for international contributions, they should keep an eye on the outcome of deliberations on the matter by the Liberal Democratic Party's Research Commission on the Tax System. Mr. Miyazawa said this in reply to reporters' question after the meeting with Foreign Minister Watanabe and other officials.

Prime Minister Miyazawa said he thinks it is a good idea to prepare a fund for international contributions but that if this entails raising funds through taxes, problems will arise, such as how the money should be obtained and

how the people should bear the burden. He thus indicated his view that it will be difficult to collect taxes for international contributions by raising the general public's taxes.

Finance Minister Renews Call for Raising Taxes

OW1712031091 Tokyo KYODO in English 0233 GMT 17 Dec 91

[Text] Tokyo, Dec. 17 KYODO—Finance Minister Tsutomu Hata reiterated his call Tuesday for raising taxes to fund Japan's international contributions in the face of strong opposition from the ruling Liberal Democratic Party (LDP).

Japan needs the 1.3 trillion yen which a tax hike would gather to prevent its development aid and other international contributions from shrinking under current fiscal restraint, Hata told a press conference after a regular cabinet meeting.

But the proposal, first broached by senior officials of the LDP's largest group, the Takeshita faction, and embraced by the Finance Ministry, met strong opposition from members of the LDP tax council, who feared the measure would cause the party to lose in House of Councillors elections scheduled for next year.

Under the proposed scheme, the government hopes to raise taxes by 1.3 trillion yen in fiscal 1992 to finance Japan's 800 billion yen official development assistance and other international projects worth 500 billion yen.

The government is seeking ways to fill an expected revenue shortfall of 2.2 trillion yen in fiscal 1992.

Hata refused to say whether he would accept a much smaller tax hike to salvage the scheme.

He said he was following the discussions of the tax council, which is expected to announce its recommendations for fiscal 1992 tax changes Wednesday.

Tax Panel Seeks International Contribution Fund

OW1712091191 Tokyo KYODO in English 0735 GMT 17 Dec 91

[Text] Tokyo, Dec. 17 KYODO—The tax policy head of the country's ruling Liberal Democratic Party will propose adding 200 billion yen to a reserve fund for Japan's international contribution in the fiscal 1992 budget in return for abandoning a plan to increase taxes as sources for Japan's international contributions, LDP sources said Tuesday.

Kabun Muto, chairman of the LDP's research commission on the tax system, has decided to give up on the idea of an "international contribution tax," in fiscal 1992, the sources said.

But he also decided to propose introducing the tax increase in or after fiscal 1993, the sources said.

Farm Minister Proposes Consumer Rice Price Cut

*OW1712043191 Tokyo KYODO in English 0319 GMT
17 Dec 91*

[Text] Tokyo, Dec. 17 KYODO—Agriculture, Forestry, and Fisheries Minister Masami Tanabu asked the Rice Price Council on Tuesday to recommend a cut of 0.44 percent in the consumer price of rice produced this year.

The council, an advisory panel of the Agriculture, Forestry, and Fisheries Ministry, is expected to adopt the proposal in making a recommendation Wednesday.

If implemented next February 1 as proposed, it will be the second consecutive cut in the consumer rice price.

The consumer rice price is the price at which the government sells to wholesalers rice it purchased from rice growers. The government regulates and subsidizes the domestic rice market, buying much of the rice crop and reselling it.

Tanabu proposed to the council, made up of representatives of farmers, consumers, and academic experts, that the price be reduced to 18,123 yen per 60 kilograms, down 0.44 percent from the current price of 18,203 yen.

He also proposed that the prices of the 1990 crop of rice be cut 1.46 percent and that the prices of wheat, barley, and rye be lowered by an average 3.5 percent.

The proposals for a cut in the consumer rice price followed a reduction in July of 0.65 percent in the producer rice price, at which the government buys rice from farmers, to an average 16,392 yen per 60 kilograms.

Officials said the cut in consumer prices is intended to reduce the price differential between Japanese rice and the world market price as international pressure grows for Japan to open its rice market.

Kanemaru Offered Post of LDP Vice President

*OW1712124691 Tokyo NHK General Television
Network in Japanese 1000 GMT 17 Dec 91*

[Text] During a one-hour meeting today, Prime Minister Kiichi Miyazawa again asked Shin Kanemaru, former deputy prime minister and chairman of the ruling Liberal Democratic Party's [LDP] Takeshita faction, to become LDP vice president.

However, Mr. Kanemaru did not immediately respond to the request. He said he feels a sense of responsibility to work together with Mr. Miyazawa because he was one of those who recommended Mr. Miyazawa for the post of LDP president. However, Mr. Kanemaru added that he should consult with members of his faction before responding to the request, because he must not make such a big decision by himself.

Oct Production Index Declines .1 Percent

*OW1612073491 Tokyo KYODO in English 0722 GMT
16 Dec 91*

[Text] Tokyo, Dec. 16 KYODO—Japan's mining and manufacturing production index for October fell 0.1 percent after seasonal adjustments from the previous month to 127.5 against the 1985 base index of 100, the Ministry of International Trade and Industry (MITI) reported Monday.

The drop represented a 0.3 percentage point upward revision from the 0.4 percent fall in a preliminary report published earlier.

MITI said the shipment index was down 1.2 percent from the previous month when it stood at 128.1, a 0.3 point upward revision from the 1.5 percent drop predicted in a preliminary report.

Similarly, the inventory index was up 2.1 percent at 120.8, a 0.2 point upward revision from the preliminary report.

Officials attributed the upward revision in the production index to increased production of beer and resistors, which were not covered in the preliminary report.

The MITI officials predicted that production will increase in November and December, but that the production index will not rise significantly in those months because of a high inventory level.

Fuel for Fast-Breeder Reactor Found Defective

*OW1612145691 Tokyo NHK General Television
Network in Japanese 1000 GMT 16 Dec 91*

[From the evening newscast]

[Text] The Power Reactor and Nuclear Fuel Development Corporation, Donen, has discovered that almost all of the plutonium fuel produced so far for use in a fast-breeder reactor [FBR], Monju, falls short of satisfying quality standards. The corporation has decided to manufacture replacements.

Monju, a totally new type of reactor which bakes plutonium, is in Tsuruga, Fukui Prefecture. For three years ago Donen has been producing plutonium fuel for use in Monju at its plant in Tokai, a village in Ibaraki Prefecture.

The plutonium fuel produced by the corporation is oxide fuel of plutonium and uranium, shaped like a cylinder 5.4 mm in diameter and 7 mm long. It is known as a pellet. The corporation's in-house standards call for making small bubble-like spaces in the pellets to give a density of 85 percent so as to store gases generated at the time of nuclear fusion.

However, according to testimonies by sources close to the corporation, this past summer Donen inspected the pellets so far produced and found that less than 10

percent satisfied the in-house standards. They said the corporation found a large quantity of pellets to be defective, with fewer bubbles in the pellets than required and falling short of satisfying the standards. In the worse cases, the pellets could crack and break up while the breeder is in operation.

The corporation investigated the cause and found that the culprit was the poor quality of an agent used in the production process for adjusting the density of the pellets. It decided to replace the agent and produce new pellets.

Originally the corporation had planned to ship 5.7 tons of plutonium fuel to Monju by the end of this year. By reproducing the fuel, the corporation is expected to delay the shipments substantially.

Earlier an abnormality was found with Monju. One of its pipes, through which the coolant natorium passes, did not expand as designed. Hence a critical experiment scheduled for October next year is expected to be put off. However, Donen and the Science and Technology Agency have said that measures had been taken, and a critical experimental operation will not be delayed any further because there is no safety problem involved.

North Korea

Pyongyang Awaits U.S. Notification on Withdrawal

SK1712045391 *Pyongyang KCNA in English*
0423 GMT 17 Dec 91

["DPRK Foreign Ministry Spokesman Interviewed"—KCNA headline]

[Text] Pyongyang December 17 (KCNA)—A reporter of the Korean Central News Agency (KCNA) today asked the spokesman of the DPRK Foreign Ministry if it is true that we were notified of the complete withdrawal of U.S. nuclear weapons from South Korea as claimed by some press reports.

The spokesman answered:

Some news agencies reported that we were notified of the complete withdrawal of U.S. nuclear weapons from South Korea.

To tell the truth, nobody has officially notified us of the complete withdrawal of U.S. nuclear weapons from South Korea.

We have only read some distorted news reports.

We are waiting for a notification from the U.S. Administration so that we can believe that the withdrawal of nuclear weapons from South Korea has really started.

U.S. Congressman, Entourage Arrive in Pyongyang

SK1712104791 *Pyongyang KCNA in English*
1028 GMT 17 Dec 91

[Text] Pyongyang December 17 (KCNA)—Stephen Solarz, chairman of the Subcommittee on Asian and Pacific Affairs of the Foreign Affairs Committee of the U.S. House of Representatives, and his entourage arrived here today by plane.

They were met at the airport by Song Ho-kyong, vice-chairman of the Korean Foreign Affairs Society and director of the Institute of Disarmament and Peace, and officials concerned.

Meet With Kim Yong-nam

SK1712160191 *Pyongyang KCNA in English*
1537 GMT 17 Dec 91

[Text] Pyongyang December 17 (KCNA)—Vice-Premier and Foreign Minister Kim Yong-nam today met and conversed at the Mansudae Assembly Hall with Stephen Solarz, chairman of the Subcommittee on Asian and Pacific Affairs of the Foreign Affairs Committee of the U.S. House of Representatives, and his entourage.

Present there was Song Ho-kyong, vice-chairman of the Korean Foreign Affairs Society and director of the Institute of Disarmament and Peace.

Daily Condemns U.S. Over New Military Strategy

SK1712053291 *Pyongyang KCNA in English*
0431 GMT 17 Dec 91

["Warmongers Seeking Cold War"—KCNA headline]

[Text] Pyongyang December 17 (KCNA)—What is noteworthy in the conduct of the United States these days is that it is increasing arms buildup and hastening war preparations behind the facade of "detente" and "end of the cold war," declares NODONG SINMUN in a by-lined article today.

It says:

U.S. Secretary of Defense Cheney said the United States is charged with "a duty for the whole world" and that it must have the capacity of coping with a threat to the U.S. interests.

U.S. President Bush in a "report on national security strategy" submitted to Congress announced that U.S. forces would be kept in Western Europe and East Asia.

It is of great danger that U.S. authorities hell-bent on nuclear war preparations are loudly claiming their "duty for the whole world" and the like.

The United States is today dreaming of establishing what it calls "a new world order," a U.S.-controlled political, economic and military order under which it can decide on everything and carry matters with a high hand as the "only superpower" in the world.

It seeks to contain all the independent and progressive forces of the world with strength, transform the world on the pattern of capitalism, lord it over on all countries and nations as the only dominator and controller of the world and satisfy the unsatiable expansionist ambition of U.S. monopolies.

The so-called "new military strategy" and "strategy of settlement of disputes" based on strength are what the United States resorts to in an attempt to establish a "new world order."

In this connection, Bush said "settlement of regional disputes" is the "main task of the U.S. strategy."

The sharp edge of the United States' world strategy is directed to the Asia-Pacific region, especially the Korean peninsula.

The U.S. plans to make the Korean peninsula a source of war in accordance with the change of the world situation and in a bid to find a way out of a serious economic crisis.

Its purpose is to force the DPRK to give in by putting pressure on this country which is advancing under the banner of independence and socialism and, if that method is fruitless, to launch an overt armed intervention.

If the United States goes so far as to provoke a war against the Korean people, it will have to pay dearly for that and that will precipitate its own downfall.

'Aggressive Nature' of 'Imperialists' Condemned

SK1712033891 Pyongyang Korean Central
Broadcasting Network in Korean 0020 GMT 15 Dec 91

[NODONG SINMUN 15 December "special article":
"Imperialists' Invariable Ambition for World Supremacy"]

[Text] The great leader Comrade Kim Il-song has taught: Even though the structure of the past cold war created by superpower confrontation is collapsing, the imperialists' old power remains as it was. The imperialists are invariably seeking world supremacy.

As the great leader Comrade Kim Il-song has taught, today even though the structure of the past cold war created by superpower confrontation is collapsing, the imperialists, which are the old power, remain as before. They are invariably seeking their ambition for world supremacy.

Even though the imperialists are talking about peace and detente, they are, in fact, running to reverse the advance of history and to realize their ambition for domination. Above all, they are trying to maintain the old order of domination and subjugation based on military control and to reign as the dominator of the world.

The U.S. imperialists, professing themselves to be the only power in the world, mapped out the plan of the new world order, and are promoting a new military strategy to realize the plan. The new world order they advocate means a domination order in which the world moves according to U.S. direction. The new military strategy means an adventurous military line to expand the U.S. domination forces into the worldwide scope through force.

The U.S. ruling quarters rave that the United States should play a role as the leader of the world; that, to this end, it should maintain enough military capability; and that it should display its military capability to the utmost. This shows their ambition for establishing a new world order through force and for becoming the ruler of the world.

Originally, aggression and war are the imperialists' inherent nature. They are basic means to realize their domination policy. The imperialists have maintained their lives and have become larger through aggression and war. Even today, they are trying to maintain the old order and to realize world supremacy through aggression and war.

The expansion of the military and the reinforcement of armed forces are an important factor in the imperialists' policy, seeking both the maintenance of control through strength and aggression and war. The imperialists, though saying that there is almost no possibility of the outbreak of a world war, have earmarked enormous military budgets and accelerated the reinforcement of armed forces.

The U.S. military expenses reach approximately \$300 billion. In fact, the United States is preparing for a new war behind the curtain of peace and military cuts. In accelerating the preparations for war, in return for cutting some unnecessary armed forces and old equipment, the U.S. imperialists earmarked those expenses needed for maintaining the above unnecessary armed forces for producing new modern war means. By so doing, they are further reinforcing the aggression forces.

Now, the U.S. imperialists, lost in posing a nuclear threat to other countries, are accelerating the preparations for a nuclear war. The U.S. imperialists regard a nuclear strategy as a key to carrying out a reactionary world strategy.

The military control, about which the U.S. imperialists are babbling, means none other than a nuclear supremacy. The U.S. imperialists put forward the claim that only when they get the nuclear supremacy—almighty means—can they be a winner and conquer the world.

The United States mapped out a long-term nuclear plan and continues to develop and produce new nuclear weapons. It is even promoting a plan to turn its airspace into a nuclear base. This is well known.

As we can see through U.S. President Bush's remarks that the measure for cutting short-range nuclear weapons is aimed at securing the expenses needed for rearranging strategic armed forces and for preparing for star wars, the U.S. imperialists are trying to prepare for reinforcing a more nuclear threat.

Even today when the treaty on cutting nuclear weapons is signed between superpowers and nuclear confrontation is eased, the U.S. imperialists, while saying that it should take measures against an unexpected nuclear attack, are developing new nuclear weapons and promoting the establishment of a nuclear base. This shows that they still have not given up their ambition of world supremacy.

Today, the U.S. imperialists direct the aggression spearhead into the Korean peninsula. The U.S. imperialists, lost in wild fancies and haughtiness through the Persian Gulf war, declared the Korean peninsula a key area for carrying out the aggressive world strategy and a vital area for the security and interests of the United States. They are trying to bring about another war here.

They decide that the Korean peninsula is an area of their own regional interests, deploy new, ultramodern weapons and specially chosen troops for a forward base in South Korea, and unprecedentedly strengthen preliminary nuclear test war like the Team Spirit and the Eagle-91 exercises.

At the same time, the signing of the wartime host nations support agreement, a strong military measure, low-altitude reconnaissance, and other U.S. ruling quarters' robber-like remarks and activities clearly show that the U.S. imperialists are going toward the road to kick up a nuclear war.

In the meantime, the U.S. imperialists are viciously maneuvering to separate us internationally and to infiltrate capitalism into the northern half of the Republic. The U.S. imperialists' anti-Republic plot and the row of blackmail has reached an extreme. Owing to this, a very dangerous situation is being created in our country. All these are aimed at making a breakthrough to realize their ambition for dominating Asia and the rest of the world by committing a military adventure with the Korean peninsula as a base.

The policy of subjugating developing countries at present becomes an important component of the imperialists' domination policy for the world supremacy. The imperialists' policy toward the developing countries is aimed at maintaining and expanding a colonial domination system and at seizing and controlling major resource areas and strategic areas.

Today when a kind of change is taking place in the world political arena, the imperialists are promoting a new strategy laying emphasis on dominating and controlling the developing countries and progressive countries. Under the pretext of settling regional disputes, they

openly intervene in the internal affairs of the developing countries and do not hesitate to kick up an armed aggression.

The United States, while creating a regional crisis and talking about taking urgent measures to cope with this, is accelerating not only the formation of armed forces for a rapid and mobile operation, but a forward deployment. This is a grave threat to the independence and sovereignty of the people of the Third World.

The imperialists describe themselves as coordinators of a regional dispute and as helpers of the Third World. This is a deception. As facts show, the aggressive nature of the imperialists never changes. They are as ever seeking world supremacy. The change of the imperialists' means of aggression cannot be interpreted as the change of their nature and reactionary spirit.

The prevailing situation demands that the world revolutionary people look straight at the imperialists' aggressive nature and that they have the high degree of revolutionary vigilance to cope with their aggressive nature.

Only when the world revolutionary people struggle against the imperialists with united forces can the imperialists' moves for aggression, war, and domination policy be checked and frustrated. Only then can they construct a free and peaceful new world.

Nonaggression Provisions of N-S Accord Praised

*SK1712105891 Pyongyang Korean Central
Broadcasting Network in Korean 0022 GMT 17 Dec 91*

[NODONG SINMUN 17 December "special article": "Giving a Definite Promise on Nonaggression Is a First Step Toward Resolving the Issue of Peace and Reunification"]

[Text] In the fifth round of high-level talks, the North and the South adopted the Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange Between the North and the South in which the issue of nonaggression was stipulated in writing as a component part.

In Chapter Two on nonaggression between the North and the South, the agreement addresses a series of important issues, including not using arms against the other side and not waging aggression against the other side with arms.

The great leader Comrade Kim Il-sung has taught: Adopting a declaration on nonaggression is a starting point for dissolving distrust between the North and the South, ending the state of confrontation, and opening a new phase for peace and peaceful reunification.

The agreement between the North and the South on nonaggression is a starting point for preventing armed conflict between the fellow countrymen, bringing an end to tensions on the Korean peninsula, and ensuring peace there. This is of even greater significance today when the

South Korean authorities and the U.S. imperialists have intentionally aggravated military confrontation and tensions by mentioning the so-called military surprise attack on us and have led the situation to a dangerous phase and to the brink of war.

We attach significance to the definite promise given on nonaggression by the North and the South because it is a valuable first step, among others, to dissolve misunderstanding and distrust and to end the state of confrontation between them. Dark clouds of nuclear war hang heavily over our nation now. This tense situation gravely threatening peace on the Korean peninsula results from the acute military confrontation between the North and the South. Resolving the present danger of a new war, a nuclear war, and ensuring peace in our country largely depends on how the military confrontation between the North and the South is resolved.

The deepening confrontation between the North and the South is due to distrust: Each side is conscious of the other's force and worries the other side may try to conquer it with that force. The deep-rooted consciousness of confrontation and distrust between the North and the South results from the political and military confrontation between the North and the South.

Under the condition where different ideologies and systems exist in the North and the South and where the two sides confront each other militarily, the distrust coming from the threat of northward and southward invasion has continuously aggravated the confrontation between the North and the South. That the North and the South have given a definite promise on nonaggression makes it possible to eliminate the distrust arising from the worries about northward and southward invasion.

As has been known, agreeing to nonaggression means that the North and the South will not confront against each other militarily, not wage armed invasion against each other, and promise to take practical measures to guarantee that. The North and the South have adopted the agreement in which nonaggression is an important part, confirming peaceful relations free from any threat of aggression.

Eliminating distrust by giving a definite promise on nonaggression provides the most important guarantee for confidence building. The South Korean authorities have so far treated the issue of confidence building as a problem separate from giving a definite promise on nonaggression. Turning away from the issue of nonaggression, they advocated only the so-called confidence building and exchange and cooperation. This was not an attitude to build confidence.

Under the acute military confrontation where each side is worried about the other side's aggression, confidence building is impossible even if one side informs the other side of a war exercise and exchanges information or even if the two sides engage in exchange and cooperation. Under the precarious state of confrontation, which is

neither peace nor war, with the imminent danger of nuclear war hanging overhead, everyone can anticipate the limited, if any, results of exchange and cooperation. That the North and the South gave a definite promise on nonaggression in an agreement provided the most solid and reliable measure for building confidence.

Another thing that makes giving a definite promise on nonaggression valuable is that it opens a way to peacefully resolving the country's reunification. To realize the reunification of the country peacefully, the two sides should develop dialogue and negotiation by providing a good atmosphere in which they can engage in dialogue with each other with trust.

Under conditions where the two sides distrust and confront each other politically and militarily, faithful dialogue for reunification is impossible; even if they sit face to face, they cannot bring forth anything that can contribute to the peace and reunification of the country.

By giving a definite promise on nonaggression, the North and the South have opened a way to discuss and resolve more seriously an end to the political and military confrontation between the North and the South and the achievement of peace and reunification of the country, sitting face to face in a good atmosphere for dialogue.

Truly, the North and the South's definite promise on nonaggression has solved a basic and elementary problem in opening a new phase for peace and peaceful reunification in our country. What is important now is for the North and the South to go beyond a definite promise on nonaggression and take practical steps to guarantee nonaggression.

Above all, the North and the South should drastically reduce their military strength to a level that will prevent either side from waging aggression against the other side. Nonaggression cannot be resolved by exchanging information, notifying the other about exercises, and observing exercises, leaving the present level of military strength as it is, as the South side advocates. Therefore, disarmament should be implemented, as we demand.

We have already made reasonable proposals on North-South disarmament. As stipulated in the agreement, the North and the South should form a North-South joint military committee and take specific measures to realize military confidence building and disarmament so that nonaggression may be actually guaranteed.

The South Korean authorities should refrain from aggravating tensions and threatening the promise on nonaggression, such as conducting the Team Spirit joint military exercise with the United States next year.

South Urged To Discard Anti-Reunification Stand

*SK1412043291 Pyongyang KCNA in English
0413 GMT 14 Dec 91*

[“NODONG SINMUN Rebukes South Korean Authorities for Violating Agreement”—KCNA headline]

[Text] Pyongyang December 14 (KCNA)—No sooner had the South Korean authorities signed the "Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange Between the North and the South" with the North side on December 13 than they invited the North side to see a movie slandering the DPRK and vilifying our idea and the history of our anti-Japanese patriotic struggle.

NODONG SINMUN today asks if they want reconciliation as agreed with each other or they persistently seek distrust and confrontation as in the past, saying:

The article sent by its analyst from Seoul makes us doubt whether the South side will implement the agreement it signed with us.

People still remember that right after they signed the July 4 North-South joint statement, they violated the three principles of national reunification laid down in the joint statement, saying that the statement was nothing but a "sheet of paper". We cannot but understand that the South Korean authorities are going to follow the disgraceful footsteps of the former rulers.

Though they signed the agreement in face of the just demand of ours and pressure at home and abroad, the South Korean authorities apparently intend to continue anti-national acts seeking North-South confrontation, a war and the nation's permanent division in league with outside forces, without a policy switchover toward peace and reunification.

Their open provocation against the North side just after the signing of the agreement are a rude act contrary to even the elementary etiquette and morality and, worse still, a challenge to our whole nation who want to see peace and reunification at an early date through the implementation of the agreement.

It is an anachronistic daydream to try to get something while going against the current of the nation toward reunification and seeking confrontation hand in glove with outside forces.

The South Korean authorities had better discard, before it is too late, the anti-reunification stand and sincerely implement all the provisions of the agreement to take the road of promoting peace and reunification.

DPRK Envoy to USSR Discusses Honecker Case

SK1712043591 Pyongyang KCNA in English
0400 GMT 17 Dec 91

[Text] Moscow December 16 (KCNA)—Son Song-pil, DPRK ambassador to the Soviet Union, called a press conference on December 16 regarding the medical treatment of Erich Honecker.

The ambassador recalled that the Honecker's side first asked us his medical treatment and we, therefore, requested the governments of the Soviet Union and the

Russian Federation to provide him with necessary cooperation and conveniences so that he might leave the Soviet territory to go to Pyongyang.

And he referred to the fact that the spokesman of the DPRK Ministry of Public Health released a press statement on receiving Honecker for his medical treatment and the foreign minister of the DPRK sent letters to the minister of external relations of the USSR and the foreign minister of the Russian Federation.

Then the ambassador answered questions raised by reporters.

It was not us that initiated Honecker's trip to Pyongyang but he himself asked for medical treatment there and we, therefore, accepted his suggestion from a humanitarian stand, he noted.

It is right to do so in the light of humanitarianism or human rights, he pointed out, adding: Everyone with elementary common sense should do so.

He went on to say: We contacted the authorities of the Soviet Union and the Russian Federation and held discussions with them in order to give the old sick man medical treatment but have not yet received any official reply as to this issue. And we do not know what difficulties they have.

Pointing out that it is a proper attitude in view of humanitarianism and human rights for the authorities of the Russian Federation to let Honecker go to Pyongyang, he declared: The action taken by us is understandable and acceptable to everybody.

We are looking forward to an affirmative reply with a hope, he added.

The ambassador said: This issue has nothing to do with the relationship between us and Germany and the FRG side, too, will not oppose Honecker's trip to Pyongyang to get medical treatment, I think.

Cultural Cooperation Accord With Russian Republic

SK1712111391 Pyongyang KCNA in English
1022 GMT 17 Dec 91

[Text] Pyongyang December 17 (KCNA)—A 1992-1993 agreement on cultural cooperation was signed here today between the DPRK Ministry of Culture and Art and the Ministry of Culture of the Russian Soviet Federative Socialist Republic.

Present on the Korean side were Vice-Minister of Culture and Art Kim Chong-ho and officials concerned and on the Russian side were the members of the delegation of the Ministry of Culture led by Vice-Minister Radionov Valentin Alekseyevich and Soviet Ambassador to Korea Aleksandr Kapto.

WPK Delegation Meets CPC's Ding Guangen

*SK1612102891 Pyongyang Korean Central
Broadcasting Network in Korean 1500 GMT 10 Dec 91*

[Text] On 9 December in Beijing, Ding Guangen, alternate member of the Political Bureau of the CPC Central Committee and member of the Secretariat of the party Central Committee, met the Workers Party of Korea [WPK] friendship delegation led by An Mun-hon, deputy director of a department of the WPK Central Committee, which is visiting China. Talks were held amid a friendly atmosphere. Zhu Liang, head of the International Liaison Department of the CPC Central Committee, and Chu Chang-chun, our country's ambassador to China, participated.

Delegation Returns 10 Dec

*SK1612102691 Pyongyang Korean Central
Broadcasting Network in Korean 1500 GMT 10 Dec 91*

[Text] The Workers Party of Korea [WPK] friendship delegation led by An Mun-hon, deputy director of a department of the WPK Central Committee, which visited China, returned home on 10 December by plane. Kim Yang-kon, deputy director of a department of the WPK Central Committee, and Zhang Zhengcai, counselor of the PRC Embassy to our country, welcomed the delegation at the airport.

CPC Delegation Visits Mangyongdae, Other Sites

*SK1412040991 Pyongyang Korean Central
Broadcasting Network in Korean 1100 GMT 9 Dec 91*

[Text] Gan Yetao, vice president of the China-Korea Friendship Association, and his party visited Mangyongdae. Gan Yetao and his party visited the old Mangyongdae home and listened to the explanation of the immortal revolutionary history of the great leader Comrade Kim Il-song and the revolutionary home. They also attentively looked over the historical relics which were precious preserved. The party took a picture in front of the old Mangyongdae home in commemoration of the visit.

After visiting Mangyongdae, the vice president wrote in the guest book: I pray for the long life of the great Comrade Kim Il-song who is the great leader of the Korean people and a close friend of the Chinese people, at the place of his birth, Mangyongdae.

The guests visited the West Sea Floodgate. While overlooking the floodgate built on the 20-ri open sea from the observatory, the party was deeply impressed by it.

After visiting the West Sea Floodgate the vice president said that the West Sea Floodgate, built under the wise leadership of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, is a great monumental creation which provides a happier life for the Korean people.

The party also visited the Commemorative Hall of the Victory in the Fatherland Liberation War, the 1 May Stadium, the Kim Chong-suk Children's Nursery, Chongchun Street, and [word indistinct].

Delegation Returns Home 11 Dec

*SK1612085091 Pyongyang Korean Central
Broadcasting Network in Korean 1500 GMT 11 Dec 91*

[Text] The delegation led by Gan Yetao, vice chairman of the Chinese-DPRK Friendship Association, returned home on 11 December by train.

So Yon-ok, vice chairman of the Central Committee of the DPRK- Chinese Friendship Association and vice chairman of the Committee for Cultural Relations with Foreign Countries; and Zheng Yi, PRC ambassador to our country, saw off the delegation at Pyongyang Station.

PRC Signs Sports Exchange Protocol 14 Dec

*SK1712115691 Pyongyang Korean Central
Broadcasting Network in Korean 2300 GMT 16 Dec 91*

[Text] A protocol for sports exchanges between the DPRK and PRC for 1992 was signed in Beijing on 14 December.

Kim Yu-sun, chairman of our country's State Sports Committee, and Wu Shaozu, chairman of the Chinese State Physical Culture and Sports Commission, signed the protocol.

O Chin-u Leads Military Delegation to Nigeria

*SK1412110791 Pyongyang KCNA in English
1056 GMT 14 Dec 91*

[Text] Pyongyang December 14 (KCNA)—A military delegation of the Democratic People's Republic of Korea left here today by plane for a visit to Nigeria.

The delegation is headed by O Chin-u, presidium member of the Political Bureau of the C.C. [Central Committee], the Workers' Party of Korea and minister of People's Armed Forces.

The delegation was seen off at the airport by Gen. Chon Mun-sop, vice-minister of People's Armed Forces, generals and officers of the Korean People's Army, K.L. Ekedede, charge d'affaires ad-interim of the Nigerian Embassy, and Yin Guangtou, military attache of the Chinese Embassy here.

Welcoming Ceremony on Arrival

*SK1712003891 Pyongyang Korean Central
Broadcasting Network in Korean 1300 GMT 16 Dec 91*

[Text] A DPRK military delegation led by Comrade O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers Party of Korea and minister of the People's Armed Forces of the DPRK, arrived in Lagos, Nigeria yesterday.

The flags of the two countries of Korea and Nigeria were flying in the airport. The delegation was received at the airport by General Sanni Abacha, Nigerian defense minister and defense chief of staff; director of the General Bureau of the Ministry of Defense; coordinator of the War College of the Defense Headquarters; directors of the Administration Bureau and Quartermaster Bureau of the Defense Headquarters; and chiefs of services at the Defense Headquarters and the Army Headquarters. The delegation was also received by ambassador of our country to Nigeria and embassy staffers.

Ceremonies for welcoming the delegation were held at the airport. Children presented bouquets to the delegation head. Following this, the delegation head reviewed the Nigerian Army, Navy, and Air Force honor guards. Artists warmly welcomed the delegation, performing Nigerian national folk dances.

Yasir 'Arafat To Make Official Visit 'Soon'

SK1712001591 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 16 Dec 91

[Text] At the invitation of the great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the DPRK, a Palestinian state delegation led by Comrade Yasir 'Arafat, president of the state of Palestinian, chairman of the Executive Committee of the Palestine Liberation Organization, and commander-in-chief of the Palestine Revolution Forces, will soon make an official visit to our country.

Japanese Party Hails North-South Agreement

SK1712044391 Pyongyang KCNA in English 0411 GMT 17 Dec 91

[Text] Pyongyang December 17 (KCNA)—The Japan Social-Democratic Party [JSDP] hailed the "Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange Between the North and the South" adopted at the fifth inter-Korean high-level talks.

The statement released on December 13 in the name of General Secretary Sadao Yamahana said the JSDP hails the adoption of the agreement at the fifth North-South high-level talks as an epochal event since the publication of the July 4 North-South joint statement in 1972 and, at the same time, sincerely hopes that the sides will make a greater progress towards detente and peaceful reunification in the future.

It recalled that at the recent talks the sides reaffirmed the three principles of national reunification enunciated in the July 4 North-South joint statement and, on this basis, reached an agreement in a series of matters.

The JSDP will exert efforts for the denuclearization of the Korean Peninsula and support North-South dialogue, said the statement.

Chondoist Chongu Party Holds Plenary Meeting

SK1612053191 Pyongyang KCNA in English 0448 GMT 16 Dec 91

[Text] Pyongyang December 16 (KCNA)—The 17th plenary meeting of the Sixth Central Committee of the Chondoist Chongu Party (CCP) was held here Sunday.

The meeting discussed the question of thoroughly fulfilling the tasks set forth by the great leader President Kim Il-song in his historical work "Let Us Achieve the Great Unity of Our Nation" and dealt with the organizational question.

Chong Sin-hyok, chairman of C.C., the CCP, made a report on the first item on the agenda and then followed speeches.

Noting that there is nothing more urgent task for our nation than national reunification, the reporter and speakers stressed in unison that national reunification must on all accounts be achieved independently and peacefully as indicated by the great leader President Kim Il-song and, to this end, a great unity of the whole nation must be achieved.

Under the specific conditions of our country where there are different ideologies and systems in the North and the South, they stressed, national reunification should under all circumstances be achieved by means of confederation based on one nation, one state, two systems and two governments as specified by the great leader President Kim Il-song.

They urged the Chondoist Chongu Party members and Chondoists to actively turn out in a nationwide struggle to have frequent contacts and travels between Koreans in the North and the South and overseas and actively develop dialogue between them to achieve the great unity of the nation and get the U.S. troops and nuclear weapons withdrawn from South Korea and make the Korean peninsula a nuclear-free, peace zone.

The South Korean authorities must pull down without delay the wall of national division, the artificial obstacle to free travel and contact and wide-range dialogue, and immediately scrap the anti-reunification "National Security Law," they said.

The meeting adopted a relevant resolution.

It discussed the second item on the Agenda and elected members of the Central Committee of the party, and members of its standing committee, members of its control committee and of auditing commission to fill the vacancies.

Principles of Economic Management Stressed

SK1512113391 Pyongyang Korean Central
Broadcasting Network in Korean 0007 GMT 13 Dec 91

[NODONG SINMUN 13 December editorial: "Let Us Functionaries More Properly Manage and Operate the Economy Scientifically and Technologically"]

[Text] Today, we are assigned the heavy task of effecting more victories in socialist economic construction by vigorously accelerating an all-out march in the 1990's. To successfully effect this honorable task, we should properly guide and manage the economy. What is an important issue to this end is that we should more properly manage and operate the economy scientifically and technologically.

The great leader Comrade Kim Il-song has taught: The state economic organs, on the basis of objective economic principles and accurate economic calculations under the party's political guide, should manage and operate the economy scientifically and technologically.

Economic management is a complex work to reasonably organize and command the people's economic activities to effect more economic successes with fewer expenses. Such an economic management work should be carried out in accordance with scientific and technological principles.

Only when the economy is managed and operated scientifically and technologically based on an objective economic principle, accurate economic calculation, and a technological and engineering demand for production can economic efficiency be increased. Only then can a high speed of economic development be guaranteed by carrying out a constant and expanded reproduction.

To ring cries of triumph in socialist economic construction by highly bringing into full play the superiority of the Taean work system—scientific and revolutionary management system—and by positively making the national economy *chuche*-oriented, modern, and scientific, we should effect a decisive turn in scientifically and technologically managing and operating the economy. Managing and operating the economy scientifically and technologically are some of the prerequisites for more properly carrying out the Taean work system and for correctly leading our country's large-scale socialist economy equipped with modern technology.

All fields of the national economy should positively struggle to more properly manage and operate the economy in keeping with the demands of realistic development. The key to the scientific and technological economy is the leading functionaries of the units concerned.

The purpose of managing and operating the economy lies in effecting more economic results with fewer expenses. Without scientific and technological management and operation, functionaries cannot discharge their duties as

the masters of economic management, nor can they carry out the party's demand for increasing economic efficiency to the utmost.

All functionaries who carry out the party's economic policy in various units and domains of the national economy should clearly bear in mind that the successful implementation of an assigned economic task largely depends upon whether they properly carry out scientific and technological management and operation of the economy. They should positively struggle to carry out the scientific and technological management and operation of the economy.

The important issue arising in scientifically and technologically managing and operating the economy is that functionaries should acquire a correct view and stance toward the scientific and technological management and operation of the economy. Many difficult issues may arise in managing and operating the economy, which is developed on a high scientific and technological foundation and which has complex relationships with other domains. If one thinks that the economy can be managed and operated easily, economic success can not be effected.

All functionaries should acquire a firm view and stance that, without scientific and technological management and operation, economic management is inconceivable. Come what may, they should try to manage and operate the economy in accordance with a scientific and technological principle.

To manage and operate the economy scientifically and technologically, functionaries should, in addition, thoroughly carry out principled demands arising in managing the economy. The socialist economic management principle is a principle and a guiding policy to manage and operate the economy scientifically and reasonably in accordance with the popular working masses desire and demand. The socialist economic management principle scientifically regulates basic principles capable of correctly resolving all issues arising in managing and operating socialist economic management.

Functionaries, in adhering to the socialist economic management principle which the great leader Comrade Kim Il-song has elucidated, should thoroughly carry out this principle.

The objective economic principles that work in socialist society express the economic phenomena and courses that take place in socialist society. The economic leading functionaries, in accordance with objective economic principles, should manage and operate the economy. Never should they ignore objective economic principles.

Economic calculation is a basis and precondition for correctly managing and running the economy. Only when economic calculation is performed well can economic efficiency be improved and production and construction be carried out vigorously on schedule. All the

economic guiding officials must always correctly perform economic calculation and thoroughly establish the system of managing and running the economy based on correct economic calculation.

The work of scientifically and technologically managing and running the economy calls for scrupulously conducting all management activities, including mapping out plans and implementing them. All the fields of the people's economy must map out scientific plans by combining well all elements of production and all stages of management activities, correctly establish measuring and instrumentation systems, correctly perform economic calculation, and produce and build more using less materials.

Correctly meeting scientific and technological requirements in production is one of the important problems in scientifically and technologically managing and running the economy. In the modern, large-scale socialist economy, production processes mean technological processes. Therefore, production cannot be performed correctly without scientific and technological guidance on production. Also, a rapid increase in production is unthinkable without it. Our party considered scientific and technological guidance on production to be an important way to manage and run the socialist economy and calls for thoroughly meeting scientific and technological requirements in production in all fields of the people's economy.

The officials in all fields and units of the people's economy must ensure that scientific and technological requirements in production be met correctly in all stages from planning and preparing for production to implementing production plans. In particular, they must correctly calculate technological factors in mapping out production plans, give top priority to technological preparations in mapping out production plans, and perform well technological management to ensure that production processes be performed strictly according to scientific and technological requirements.

The scientific management and running of the economy are guaranteed by appropriate ways and means. All the fields and units of the people's economy must widely introduce various economic and technological ways and means suitable to modern large-scale production to ensure that production guidance, technological guidance, labor management, and material management be performed scientifically. In particular, they must more widely use computers in enterprise management to ensure that management activities be performed based upon a new scientific foundation.

Reality demands that economic guiding officials manage and run the economy with concrete methodology, which calls for controlling production and all other management activities and commanding them in a united fashion.

All the economic guiding officials must correctly know that bold scientific operations, scrupulous planning, and

systematic control over the economy, and the coordination of economic problems are basic in the overall management of the economy and must have comprehensive methodology to ensure that progressive procedures from operations to planning, control, and coordination be carried out scientifically.

Beefing up officials' capability to manage the economy is important in scientifically and technologically managing and running the economy. Officials' capacity to manage the economy is reflected in actual management. No matter how hard officials may try to manage and run the economy on a scientific and reasonable basis, if they do not have sufficient knowledge on economic management, they cannot manage and run the economy in compliance with scientific and technological theories or responsibly carry out their assigned economic tasks.

Along with the full study of the party's economic policy, functionaries should steadily and vigorously stage a struggle to improve the level of their economic management, thus regarding it as a matter of life and death.

Learning to improve it cannot be successful without the functionaries' burning efforts. Functionaries, with full zeal and vigor, should earnestly carry out the study in order to have a correct view of the principles of the objective economy and socialist economic management. In addition, they should continue their study to build their knowledge of economic management.

The work of scientifically and technologically managing and running the economy can be successfully fulfilled by the party organizations' positive role.

Party organizations at all levels and sectors of the national economy should fully inform functionaries and the working people of the great leader's teachings and the party's demands on the scientific and technological economic management operation. In addition, they should positively help functionaries and the working people realize this in a party-oriented and political manner.

Guiding functionaries in the economic sector in particular should lead functionaries and the working people in using their minds for the better management and running of the economy in a scientific and technological manner.

The Tacaan work system is the most superior and vital system in economic management, enabling us to manage and run the socialist economy scientifically and technologically. Its thorough implementation is the basic plan for scientifically and technologically managing and running the socialist economy based on collective ownership.

All party organizations should strengthen the party committee's collective leadership. In addition, party functionaries, administrative and economic functionaries, engineers, and producers should cooperate with each other to scientifically and technologically manage and

run the economy, thus promoting a sense of responsibility and initiative. Along with this, they should make efforts to satisfactorily carry out their assigned economic tasks.

Functionaries in all sectors and units of the national economy, with their positive struggle, should effect a new turn in scientifically and technologically managing and running the economy this year—a year which marks the 30th anniversary since the creation of the Taean work system. As a result, they should vigorously accelerate building the socialist economy.

KCNA Reviews 17 Dec Pyongyang Press

SK1712052991 *Pyongyang KCNA in English*
0438 GMT 17 Dec 91

[Press review]

[Text] *Pyongyang December 17 (KCNA)*—Papers here today report that the great leader President Kim Il-song received credentials from the new Burkinabe ambassador to Korea.

Carried in the press is the report that a delegation of the state of Palestine led by Comrade Yasir 'Arafat, president of the state of Palestine, chairman of the Executive Committee of the Palestine Liberation Organisation and commander-in-chief of the Palestine Revolutionary Armed Forces, will visit the DPRK upon the invitation of Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea.

Papers carry a message sent by Frederick J. T. Chiluba in reply to the congratulatory message of President Kim Il-song upon his election as president of the Republic of Zambia.

NODONG SINMUN informs the readers that works of President Kim Il-song were studied and disseminated in foreign countries and the Korean documentary film "The Great Leader Comrade Kim Il-song Visits China" was shown in Yemen.

The paper informs the readers that the Indian paper HINT carried an article headlined "President Kim Il-song, the Great Leader of a Great Country".

A seminar on "The Workers' Party of Korea Organizes and Guides All the Victories of Our People", a work of the dear leader Comrade Kim Chong-il, was held in Tanzania, according to the paper.

Dailies inform the readers of a rally of scientists and technicians in Pyongsong area to thoroughly carry out the tasks which were forwarded in a letter of Comrade Kim Chong-il to the participants in a national meeting of scientists.

An article of NODONG SINMUN tells about deep interests and care shown by Comrade Kim Chong-il to provide the Korean people with a better cultural and emotional life.

Introduced in dailies are successes and experiences made in carrying through the Taean work system, a church-based economic management system.

Econews of dailies includes reports that factories and enterprises of various domains of the national economy have hit their annual targets and innovations have been effected in the production of iron headings and cement.

Given in the press is news that a modernized stock breeding base built under an assistance program of the DPRK Government and the U.N. Development Program was commissioned.

Dailies carry a press statement issued by Pak Song-chol, Politburo member of the WPK Central Committee and vice-president, with regard to the adoption of "Agreement on Reconciliation, Nonaggression and Cooperation and Exchange Between the North and the South" at the fifth inter-Korean high-level talks.

They deal with articles urging the implementation of the articles of the agreement and convey repercussions evoked by it at home and abroad.

The press reports that general secretaries of the New Communist Party and Communist Party of Great Britain met the Korean general representative to France and a 1992 protocol on cooperation in physical culture and sports was signed between Korea and China.

Papers report that the "national Roman Catholic priests' group for the realization of justice" of South Korea called for an immediate release of all the visitors to the North in the spirit of the agreement signed between the North and the South, a South Korean newspaper demanded the abolition of the "National Security Law" and the international committee of jurists for democracy and human rights in South Korea published a bulletin.

The Cuban paper GRANMA denounced the U.S. imperialists' threat and blackmail against our country and foreign visitors to Korea said Korean-style socialism which represents the church idea is invincible, says NODONG SINMUN.

Included in the international news columns of the daily are reports that the Maltese president visited China, the chairman of the PLO Executive Committee denounced the U.S. policy of support to Israel and the Nepalese prime minister called for a broad cooperation among South Asian countries.

The daily carries reports from Laos, Pakistan, Afghanistan, India, Nepal, Thailand and Viet Nam in the building of a new society.

"Cure-all Prescription" of the U.S. President" and "War Maniacs Seeking Cold War" are the titles of NODONG SINMUN articles.

South Korea

Prime Minister Proposes Contact on Nuclear Issue

SK1712085491 Seoul KBS-1 Radio Network in Korean
0800 GMT 17 Dec 91

[Text] Prime Minister Chong Won-sik proposed to North Korean Premier Yon Hyong-muk in a telephone message today that the first round of delegates' contact to discuss the nuclear issue be held at Tongilgak on the North side's area at Panmunjom at 1000 [0100 GMT] on 23 December.

Prime Minister Chong Won-sik also proposed that contact between liaison officers be held in the House of Peace at Panmunjom at 1500 [0600 GMT] on 19 December to discuss concrete working-level issues so that the delegates' contact will go smoothly.

It is our policy that during the delegates' contact, our side will demand that North Korea sign the Nuclear Safeguards Accord by 31 January 1992 and after signing receive nuclear inspection by the International Atomic Energy Agency [IAEA]. Our side will then call on North Korea to adopt a joint declaration for denuclearization of the Korean peninsula, including North Korea's nuclear reprocessing facilities and model nuclear inspection of North and South Korea.

Five officials, including two delegates and three nuclear issue specialists, will attend the delegates' contact from each side. From our side, Yi Tong-pok and Yim Tong-won will attend the contact.

Official on Possible Summit Date

SK1712031891 Seoul THE KOREA HERALD
in English 17 Dec 91 p 1

[Text] A senior government official hinted yesterday that President No Tae-u and North Korean President Kim Il-song may meet early next year to strike an agreement on a "nuclear-free" Korean Peninsula.

The official, who requested anonymity, indicated that the summit talks may be held even before the North signs a nuclear safeguards accord with the International Atomic Energy Agency (IAEA).

Experts in inter-Korean affairs had generally expected that a No-Kim summit would be dependent on how the nuclear question is settled, but the official said, "I do not rule out the possibility that the two leaders may meet to resolve the nuclear issue."

He said that officials of South and North Korea held behind-the-scenes negotiations on arranging the summit during the fifth prime ministers' talks held in Seoul last week.

The official declined to predict precisely when the summit would be possible, but local reports have said it might be possible as early as next month.

Another ranking government official said he is confident that North Korea would place its nuclear plants under international inspections.

"The inspection by IAEA will definitely come, and the question should be viewed in a broader context of inter-Korean relations," he said, while referring to some critical views that Seoul had neglected the nuclear question during the prime ministers' talks.

The talks produced a historic agreement on reconciliation, nonaggression and exchanges and cooperation. The two sides, however, failed to produce any agreement on the nuclear question except that they will hold further negotiations at the border village of Panmunjom by the end of this month.

The official dismissed as groundless reports that the U.S. Government felt unsatisfactory because the inter-Korean accord did not include an agreement on the nuclear question.

"We had had close consultations with the United States. Seoul and Washington had agreed on double-track promotion of the two matters (the resolution of the nuclear issue and the signing of the accord on reconciliation and nonaggression)," he said.

He indicated that the government will soon announce that there exist no nuclear weapons on South Korea in a bid to expedite the international surveillance of the North's nuclear facilities.

"Our proposal for simultaneous trial inspections of weapons sites in both South and North Korea means that U.S. nuclear arms have already been withdrawn from here," he said, "but we will take steps to help ensure that the North will open its nuclear facilities to international inspection."

During the prime ministers' talks, the Seoul delegation offered to conduct the joint inspection of weapons sites. The South suggested that the trial inspection be made of the North's nuclear plants in Yongbyon and Suncheon Airfield and the South's Kunsan Airbase.

The proposal was a response to the North's long-held demand that nuclear inspection be made simultaneously in both sides.

The North also announced early this month that it would sign the nuclear safety accord with IAEA once U.S. nuclear weapons begin to be pulled out of South Korea.

The official also hinted that the government may call off next year's annual South Korean-U.S. joint military exercise, called Team Spirit, depending on the progress of negotiations over the nuclear issue.

"We are flexible on that matter," he said.

Some news reports, meantime, said the North delegation told the Seoul delegates during behind-the-scenes contacts of the prime ministerial conference that Pyongyang would sign the IAEA safeguards accord before the February meeting of the IAEA's board of governors.

The Northern delegates also said they were not opposed in principle to Seoul's demand for scrapping nuclear fuel reprocessing facilities and simultaneous inspection of nuclear facilities in both sides, according to the reports.

Official Speculates on Future North-U.S. Ties

SK1712092391 Seoul YONHAP in English 0821 GMT
17 Dec 91

[Text] Seoul, Dec. 17 (YONHAP)—Contact between North Korea and the United States may be upgraded to ambassadorial level if the North signs a nuclear safeguards accord with the International Atomic Energy Agency [IAEA], a senior South Korean Government official said Tuesday.

"If North Korea signs the accord, our government may accept the upgrading of U.S.-North Korea contacts from the counsellor to ambassadorial level, even before the North accepts international inspection of its nuclear facilities," he said on condition of anonymity.

The change could be followed by the establishment of a hot line between Washington and Pyongyang, opening bank accounts in the other nation and other measures designed to improve relations between the two countries, which do not have diplomatic ties.

It would take time before Washington recognized Pyongyang and normalized relations even if North Korea opened its nuclear facilities to outside inspection and scrapped its reprocessing ability, he said.

"A long time will be needed for the substantial improvement of relations between the United States and North Korea," he said.

South and North Korea have agreed to hold a working-level contact on nuclear issues at the truce village of Panmunjom this month, and the South would make best efforts there to encourage the North to accept nuclear inspection, he said, suggesting later calls would be for the scrapping of reprocessing facilities.

South Korea and the United States recently agreed on a phased schedule regarding North Korea's nuclear program, starting with the north's signing of a nuclear safeguards accord before the end of the year.

The second phase is for the North to accept IAEA inspection in January, and the third is for Pyongyang to either scrap its reprocessing facilities before the sixth round of inter-Korean high-level talks in February or sign a South-North Korean joint declaration on denuclearization of the Korean peninsula at an inter-Korean summit.

Proposal Simplifying Visits to Pyongyang Reviewed

SK1612094691 Seoul YONHAP in English 0930 GMT
16 Dec 91

[Text] Seoul, Dec. 16 (YONHAP)—South Korea, expecting a rise in material and human exchanges with North Korea as a result of last week's historic inter-Korean agreement, may simplify the procedures for getting permission to visit Pyongyang, a government official said Monday.

A proposal now being reviewed would allow South Koreans wanting to visit the North to obtain approval without first seeking permission to contact North Koreans, he said.

The government would issue a visitation certificate to people with invitations from North Korea and eliminate the need for a written guarantee of safe return from the North.

If the agreement on reconciliation, nonaggression, exchanges and cooperation is put into effect, more South Koreans are expected to seek chances of visiting Pyongyang, he said.

"In preparation for active cross-border human exchanges, the government is reviewing a plan to ease regulations for getting government permission," he said.

The government, however, would not allow visits it thought might hamper improvement of inter-Korean relations, harm national security or damage public order in the South, he said.

The government would finalize a draft next year to be tabled at inter-Korean negotiations on management of the Panmunjom Liaison Office which is to be set up three months after the agreement goes into effect.

Call for Resumption of N-S Sports Talks Planned

SK1412024891 Seoul YONHAP in English 0055 GMT
14 Dec 91

[Text] Seoul, Dec. 14 (YONHAP)—South Korea will propose to North Korea this month that they resume talks on sending a single Korean team to the Barcelona Olympics, Sports and Youth Minister Pak Chol-on said Friday.

Park said he had asked North Korean delegates to the fifth inter-Korean premiers' talks to cooperate for resumption of the sports talks, which North Korea suspended in August.

"Now that South and North Korea have signed the agreement on reconciliation, non-aggression, exchanges and cooperation, there is no reason for the sports talks to be delayed," he told a yearend meeting of sports journalists.

North Korea called off the fifth round of inter-Korean sports talks, scheduled for Aug. 17, after the defection of Yi Chang-so, a member its national judo team, to the South.

Pyongyang has turned down Seoul's repeated calls for resumption, demanding that Yi, a lightweight bronze medalist at the 1989 world judo championships and silver medalist in the 1990 Beijing Asian games, be returned first.

Pak said he planned to make a proposal to North Korea at an early date after consulting with relevant government ministries.

He said he hoped the talks could be held in January and have substantial results for the formation of a single Korean olympic team. The deadline for preliminary entries is March 25.

Minister on Coordinating Inter-Korean Trade

SK1712110391 Seoul YONHAP in English 1023 GMT 17 Dec 91

[Text] Seoul, Dec. 17 (YONHAP)—The government plans to coordinate inter-Korean economic and commercial deals involving private businesses to prevent excessive competition and "reckless" investment, a senior government official told reporters Tuesday.

Vice Economic Planning Minister Kang Hyon-wuk said economic cooperation projects should be dealt with carefully because the two sides have different economic systems and customs.

South Korea would endeavor to make efforts to produce visible effects of inter-Korean economic cooperation from the latter half of the coming year in cooperation with North Korea when a proposed joint committee for economic cooperation and exchange was formed in the next 12 months, he said.

He said that the government would by May of next year complete preparations for starting inter-Korean economic cooperation by designating currencies to be used for settlement of inter-Korean trade and correspondence banks and working out taxation system and devices to protect investments.

Kang said that it was possible that excessive competition among South Korean companies could produce adverse effects and that the government would, therefore, properly intervene and coordinate the businesses' plans for inter-Korean trade and investment.

The government would make comprehensive reviews on the exchange and cooperation projects such as South-North joint ventures in the manufacturing sector designed to combine the South's capital and technology with the North's labor.

The vice EPB [Economic Planning Board] minister said his office would study measures to increase the inter-Korean economic cooperation fund, which is expected to total 65 billion won (85.98 million U.S. dollars) by the end of next year.

Sources on Signing Exchange Agreement With North

SK1612010091 Seoul YONHAP in English 0038 GMT 16 Dec 91

[Text] Seoul, Dec. 16 (YONHAP)—The government hopes to sign a basic economic exchange agreement with North Korea soon to help promote trade and cooperation between the two Koreas, government sources said Monday.

According to a draft agreement under consideration for the promotion of inter-Korea trade, South Korean officials believe that the two Koreas need a formal agreement to form stable economic relations and minimize trade risks, the sources said.

The draft would call, among other things, for trade liaison offices in each other's capital and an official channel for speedy exchanges of trade communications. It would also promote regular trade fairs and exchanges of private trade missions, the sources said.

At the same time, the government has already begun studying on ways to help North Korea carry out its third seven-year economic plan with an emphasis on the development of cement, metal, fishery and high technology industries.

Moreover, the government is studying how to take active part in the 83 industrial projects North Korea has selected and asked for foreign investment under the United Nations Industrial Development Organization (UNIDO), the sources said.

The government is also considering building a large labor-intensive industrial complex in the Demilitarized Zone, the sources added.

N-S Joint Economic Cooperation Council Set Up

SK1412014391 Seoul THE KOREA TIMES in English 14 Dec 91 p 8

[By staff reporter Chae Hui-muk]

[Text] A highlight of the economic section of the inter-Korean agreement is the setup of a joint council on comprehensive economic exchange cooperation and sectoral panels. The two sides agreed to set them up in the three months after the pact is put in force.

The Economic Planning Board [EPB] said the council will handle all substantial economic exchanges including joint development of natural resources, commodity trade and joint investment in third countries.

South and North Korea have agreed to set up joint sectoral councils on free passage, telecommunications and other matters which will facilitate real economic exchange.

Infrastructure including restoration of broken rail roads, the opening of sea and air routes will be developed as they are deemed necessary for the direct economic and personnel exchanges.

An EPB official said priority will be given to joint natural resources development in the North which lacks capital and technology.

He said North Korea has already drawn up a list of 83 projects in 11 industrial sectors for which foreign capital is sought in collaboration with the United Nations Industrial Development Organization.

Pyongyang side revealed that the projects will need as much as \$1,561.3 million, of which \$887 million or 57 percent will be sought from foreign countries.

The projects include electric and electronics division, textiles and chemicals.

The most viable projects are expected to be the development of anthracite coal, iron ore and nonferrous metals which the North proposed at the South-North economic talks in 1985 as the South needs these natural resources.

The Tuman River estuary development project which has been initiated by the United Nations Development Program is another one to be pushed rapidly.

The multinational project involves South and North Korea, China, Mongolia, Japan and the United States.

At last Pyongyang talks, the six nations agreed to hold the next talks in Seoul in January next year.

As the two Koreas have reached comprehensive agreement, details of the Tuman River project will be actively discussed, an EPB official said.

Other possible projects cited as promising are the development of petroleum in the western continental shelf, a pipeline for the transportation of gas from a Soviet gas field under consideration and marine resources.

The agreement also includes the joint development of natural resources in foreign countries including the Soviet Union and China.

The EPB official said South Korean technology and capital will team up with cheap North Korean labor in advancing into foreign countries.

He said the North badly needs foreign capital to rehabilitate its economy devastated by 46 years of inefficient central planning.

The Soviet Union and China, which are close allies of the North, and ex-socialist European countries have turned

their back on the North. This means that the North is obliged to seek capital from Western countries.

Direct commodity trade is also expected to be brisk in the wake of the agreement reached here yesterday. There has only been one direct trade—exports of 5,000 tons of rice to the North last July, although indirect trade has been undertaken via Hong Kong.

Pyongyang has been suffering from the absolute shortage of daily necessities such as textiles goods, television sets, footwear and refrigerators.

An EPB official said the trade will have to be made in barter form as the North has little foreign exchange.

The official also said the two sides should hurry to work out details on substantial economic exchanges and cooperation such as payment settlement in agreed currencies, customs clearance, transportation and other matters.

He warned that domestic businesses should avoid excessive competition in the bilateral trade and development projects to reduce possible losses.

In the meantime, many economic organizations are mapping out a wide range of steps to support businesses who wish to trade and invest in North Korea.

The Federation of Korean Industries, the nation's largest private economic organization, will set up a working-level committee to help enterprises expand their economic and trade exchanges with North Korea.

The Korea Foreign Trade Association will change the name of its "Northern Trade Department" to that of the South-North Korean Trade Department.

N. Korean Foreign Investment Projections

(unit: million dollars)

Industry	Product	Total Investment	Foreign Investment	Number of Projects
Mining	copper, graphite, marble, granite	67.1	46.3	5
Food	natural food, fish processing, juice	32.9	17.1	4
Textiles	silk, synthetic fiber, garment	293.9	217.2	7
Wood Processing	veneer board	3.0	2.5	1
Chemicals	perfume, polyvinyl chloride, sodium hydroxide, benzene, styrene, citric acid	276.6	139.9	11

N. Korean Foreign Investment Projections (Continued)

(unit: million dollars)

Ceramics	plate glass, glass fiber, crystal	55.6	30.4	7
Metals	zinc, cad- mium, titanium, magne- sium, chrome steel	156.2	97.4	12
Metal Parts	bolt, nut	0.8	0.3	1
Machinery	machine tools, lathe, grinder, hydraulic pump, car- buretor	192.1	95.2	8
Electrics/ Electronics	battery, TV, motor, elevator, computer, stereo, transformer	334.2	165.1	25
Shipbuilding	shipbuilding, repairs	148.9	75.6	2
Total		1,561.3	887.0	83

Source: United Nations Industrial Development Organization 1991

Ministry Plans 7 Areas for Joint N-S VenturesSK1412061091 Seoul YONHAP in English 0541 GMT
14 Dec 91

[Text] Seoul, Dec. 14 (YONHAP)—The Trade and Industry Ministry plans to support trade and joint ventures with North Korea by small- and medium-sized companies in seven areas.

Large firms were excluded because most inter-Korean deals are small, amounting to less than a million U.S. dollars each, and North Korea's external trade is relatively tiny at 4.6 billion dollars a year. Of the 121 companies that have traded with North Korea since 1988, 100 were small- or medium-sized.

Fishing, farming, food and fish processing, textiles, building materials, toys and footwear, and electronics are the areas.

The ministry has concluded it would be best for South Korea to provide fishing boats, equipment, technology and capital, and for North Korea to supply the fishing grounds and crews for joint fishing projects.

In agriculture, North Korea needs technology and materials such as vinyl for greenhouses. Joint cultivation on

the Kaema Plateau in North Korea, medicinal herbs, and sericulture are also seen as promising fields for joint ventures.

The ministry is studying ways to process crops in North Korea and bring them to the South or export them.

North Korea is backward in processing technology and has obsolete facilities, so raw silk processing, canning and refrigeration are promising areas of collaboration.

Construction materials is also considered to be a good business. North Korea reportedly has ample resources of high quality stone, sand and gravel, but not enough equipment and fuel to get it out.

The government expects many southern textile companies to open business in the North as their international competitive power is weakened by high wages at home.

Joint ventures to make stuffed toys would be more promising than powered toys in the initial stages of inter-Korean economic cooperation and many shoe companies would seek to make low-priced footwear there.

In the electronics sector, labor-intensive assembly is a possible area for joint ventures.

Industrial Complex Planned for Demilitarized ZoneSK1712025191 Seoul YONHAP in English 0152 GMT
17 Dec 91

[Text] Seoul, Dec. 17 (YONHAP)—The government plans to build a vast industrial complex designed to accommodate more than 100 factories in the Demilitarized Zone (DMZ), 4 kilometers west of the truce village of Panmunjom.

Officials said Tuesday the government is considering building the estate in a 3.3 million square meter area to house labor-intensive, pollution-free factories such as textile, electronics, toy and shoe manufacturers.

Tentatively named "Korea Peace Industrial Complex," it will be managed jointly by the South Korean Ministry of Trade and Industry and the North Korean Ministry of External Economic Affairs, the officials said.

The government estimates that some 35 billion won will be needed to build the complex in an area west of Changdan on the estuary of Imjin River or about 16 kilometers south of Kaesong, the officials said.

They said if North Korea wants to house factories on a joint-venture basis, South Korea could provide technology, capital and overseas sales networks for products they produce there while North Korea could supply labor force.

The construction of the complex could start within 1992 if two sides agree to the plan, the officials added.

Assembly Speaker Urges North Join Regional Group

SK1312002791 Seoul THE KOREA HERALD
in English 13 Dec 91 p 2

[Text] National Assembly Speaker Pak Chun-kyu yesterday proposed that North Korea join a regional parliamentary body, tentatively named the "Asia-Pacific Parliamentary Leaders Forum (APPLF)."

Pak made the offer during a dinner he hosted in honor of the North Korean delegates to the fifth round of inter-Korean prime ministers' talks which was held at the Seoul Hyatt Hotel.

He asked North Korean Prime Minister Yon Hyong-muk to forward his bid to Yang Hyong-sop, chairman of the North Korean Supreme People's Assembly.

If the North joins the regional organization, the South will ask for a regular meeting between South and North Korean parliamentary leaders and resumption of inter-Korean parliamentary talks, parliamentary sources said.

They expected that the APPLF's inaugural session would take place next April in Hawaii with 12 to 14 countries represented.

According to the sources, Australia, Japan and Indonesia have agreed in principle to launch the organization. Other countries such as the United States, Canada, China, Malaysia, Thailand and Singapore also showed favorable responses, they said.

Parties Split on Endorsing Inter-Korean Pact

SK1712022491 Seoul THE KOREA TIMES in English
17 Dec 91 p 2

[Text] Parliamentary action on the South-North basic agreement designed to reshape inter-Korean relations will take "some" time because of partisan differences on the method of endorsing it.

The ruling camp planned to pass a resolution supporting the landmark accord for inter-Korean rapport and non-aggression in a plenary session yesterday.

However, the opposition Democratic Party [DP] demanded that a special session be convened in January for the ratification process since the accord is "very important." However, it said this does not mean that it changed its position on supporting the agreement.

The DP's position was made in a meeting of its top leaders.

The DP argued that the accord between South and North Korea should be subject to parliamentary "deliberation and approval" through proper ratification procedures.

DP spokesman No Mu-hyun said the agreement on reconciliation, nonaggression, exchanges and cooperation should undergo deliberation for ratification since it is an important accord affecting the fate of the nation.

The DP's position is bound to trigger inter-party polemics.

President No Tae-u requested the cooperation of the opposition party leaders when he met them at Chongwadae on Monday.

Because of the recalcitrancy of the opposition DP, the plenary session yesterday failed to pass a resolution supporting the accord even though it heard the accord's contents from Prime Minister Chong Won-sik.

Parties Compromise on Parliament Election Bill

SK1512014091 Seoul THE KOREA HERALD
in English 15 Dec 91 p 2

[By staff reporter Choe Sang-hun]

[Text] The rival parties finally reached a compromise settlement yesterday on a controversial bill on parliamentary elections which would create 13 new parliamentary electoral districts.

But the number of parliamentary seats would remain at 299 as the negotiators concurred to cut the number of national representation seats from the current 75 to 62.

Parties would be allowed to hold one outdoor campaign rally in each voting district in support of candidates, affiliated with them. Candidates, independent or identified with parties, could hold two joint stumping rallies.

The official campaign period would be 18 days, and candidates would have three days to register their candidacy.

They would be allowed a one-minute speech on television or radio.

The negotiators agreed to rescind the provision that allows the ruling party a majority of national-constituency seats even if it fails to get the majority of seats in the general elections. Instead the national-constituency seats would be distributed to parties strictly in proportion to the number of seats gained in popular balloting. National-constituency lawmakers enter the legislature without popular elections.

For speedy trial of election law violators, the first trial would be held within six months from the date of prosecution. The second and third trials would each be concluded within a three-month period.

Those voters who received money or gifts from candidates during the campaign period would be exempted from legal punishment if they turn themselves in.

These are some of the major changes contained in the bill, which is expected to clear the National Assembly before the current regular session ends Wednesday.

"Both parties have agreed to submit a mutually agreed-upon draft bill on parliamentary elections so that it can clear the present regular session," said Kim Yun-hwan,

secretary-general of the ruling Democratic Liberal Party [DLP], emerging from a meeting with his opposition counterpart Kim Won-ki yesterday morning.

Later in the day, the parliamentary Home Affairs Committee received the bill for deliberation on the bill together with another bill on political funds tomorrow.

Over the weekend, the rival parties were working in the final stages of negotiations to hammer out their differences regarding the fund bill.

The agreement on a revision of the National Assembly Election Law came when the ruling party acceded to the opposition demand that political parties be allowed to hold outdoor campaign rallies to support the candidates they put up.

In return, the opposition reportedly acquiesced to the DLP plan to pass other disputed bills in the present session. The DLP [Democratic Party] had proposed a special parliamentary session in January to deliberate some of the controversial bills including those regarding the price and amount of state rice purchases, cable TV broadcasting development of the southern resort island of Cheju, promotion of the "righteous life" campaign and basic laws on youth.

Differences on some points still need to be resolved.

But the newfound mood of compromise, which many observers attributed to the historic agreement between Seoul and Pyongyang ending half a century of hostile rivalry and promoting reconciliation, spawned hopes that the disputed bills will clear the present regular session without serious haggling.

Even if the negotiators fail to reach agreement on some sticky points, legislative insiders said, the opposition is not likely to put up a protest.

They said the opposition lawmakers would either accept a vote on those bills or abstain. The ruling party, which holds 214 of the 299 legislative seats, controls the Assembly.

During the negotiations on revising the Political Fund Law, the ruling party proposed to increase the state subsidy to the political parties from the current 400 won per voter to 700 won per voter with an additional 300 won at election times.

The opposition responded by withdrawing its demands for a higher increase, but at the last minute renewed its demand to abolish designated contributions to political funds.

They said all political fund donations should be non-designated and distributed to political parties in proportion to the number of parliamentary seats.

The negotiators agreed that the bills on "righteous life" campaign, cable TV and youth would go into effect Jan. 1, 1993. The original effectuation date of those bills was

July 1 next year, and the opposition had charged that those bills could be used by the ruling party in the four rounds of elections scheduled for next year.

Japan Counseled on Improving Ties With North

SK1712053091 Seoul YONHAP in English 0504 GMT 17 Dec 91

[Text] Seoul, Dec. 17 (OANA-YONHAP)—South Korea, stressing that the nuclear question must be solved first, on Tuesday asked Japan to exercise prudence in improving its ties with North Korea.

Vice Foreign Minister Yu Chong-ha met with Noboru Nakahira, Japanese chief delegate to the Tokyo-Pyongyang diplomatic talks, Tuesday morning and asked for his continued cooperation in getting North Korea to abandon its nuclear reprocessing facilities, Ministry officials said.

Japanese Foreign Minister Michio Watanabe will seek solutions to North Korea's nuclear development when he visits China in early January, Nakahira was quoted as saying. He explained Japan's position at the sixth Tokyo-Pyongyang diplomatic talks scheduled for Beijing in late January, the officials said.

Nakahira arrived here Monday and will meet separately with Kim Chong-hwi, presidential adviser for diplomacy and national security, and Yim Tong-won, dean of the Institute of Foreign Affairs and National Security. Both Kim and Yim were delegates to last week's fifth inter-Korean prime ministers' talks.

South and North Korea signed an agreement on reconciliation, non-aggression, exchanges and cooperation at the talks.

In order for the agreement to be carried out, Pyongyang's nuclear problem must be settled beforehand, Yu told Nakahira, asking for Japan's prudence in improving ties with North Korea.

Yu emphasized that North Korea's nuclear question is connected with whether the sixth prime ministers' talks, set from Feb. 18 in Pyongyang, will open as scheduled.

Noting that the South Korean and Japanese foreign ministers promised at last month's Asia-Pacific Economic Cooperation (APEC) conference to cooperate in opposing North Korea's development of nuclear reprocessing facilities, Yu asked for continued joint efforts.

South Korea demands Japan make complete abandonment of nuclear reprocessing capabilities a condition for normalizing ties.

Japan, without specifically mentioning reprocessing facilities, has said that it wants North Korea to abandon any nuclear facilities not being used for peaceful purposes.

Exceptions to GATT Tariffication Proposed

*SK1712091891 Seoul YONHAP in English 0632 GMT
17 Dec 91*

[Text] Seoul, Dec. 17 (YONHAP)—South Korea, Japan and four other countries Monday called for exceptions to tariffication of agricultural produce in a joint proposal delivered to the top official of the General Agreement on Tariffs and Trade, Korean officials said Tuesday.

"De Marche," also signed by Canada, Switzerland, Norway and Israel, explains to GATT Director-General Arthur Dunkel that tariffication without exception is not the only way to improve the world trade order, officials at the Agriculture, Forestry and Fisheries Ministry said.

The six countries also asked for revision of GATT Article XI:2 (C) to eliminate ambiguities that might arise in its application, the officials said.

The proposal was later referred to the meeting of 36 countries that actively participate in the agricultural negotiations of the Uruguay Round trade talks.

During the meeting, South Korean Ambassador to Geneva Pak Su-kil proposed that Dunkel insert in his working paper the sentence: "For exceptionally sensitive agricultural products which should be carefully circumscribed, contracting parties may request a special derogation from tariffication as part of the finalization of schedules of market access commitment."

Finland, Iceland, Austria and others emphasized that Article XI:2 (C) should be improved in a way clarifying if, for example, in case of controlling milk production, import of butter and yoghurt could be restricted.

Mexico told the meeting it was difficult to accept tariffication without exception.

The United States and the Cairns Group of farm exporters, including Australia, Argentina and Brazil, said they opposed recognizing exceptions to tariffication.

PRC Delegation Arrives for Economic Talks

*SK1712140091 Seoul YONHAP in English 1332 GMT
17 Dec 91*

[Text] Seoul, Dec. 17 (OANA-YONHAP)—A 15-member Chinese delegation headed by Xie Jianqun, vice chairman of the Chinese Chamber of International Commerce, arrived in Seoul Tuesday to attend bilateral economic talks on trade and investment guarantee pacts.

Both sides are expected to discuss abolition of 5-30 percent discriminatory tariffs imposed on Korean exports by China during three-day Seoul talks starting Wednesday.

The two governments are likely to initial a trade accord and exchange each other's views on an investment guarantee agreement.

The trade agreement calls for granting each other most favored nation status. It includes specific measures to boost bilateral trade volume and cooperation since China is not yet a member of the General Agreement on Tariffs and Trade.

Kim Sok-u, director-general of the Asian affairs at Korean Foreign Ministry heads the Korean side at the talks.

Seoul and Beijing held their first round of economic talks in Beijing in August this year.

Proposed PRC Rail Link Extension Welcomed

*SK1712013291 Seoul YONHAP in English 0104 GMT
17 Dec 91*

[Text] Seoul, Dec. 17 (OANA-YONHAP)—China has suggested that road and rail links between Beijing and Pyongyang be extended to Seoul to facilitate economic activities in the region, Foreign Ministry Officials said Tuesday.

"The Ministry will need to talk with both North Korea and China about the details, but we think it's a great idea," one Ministry official said.

The proposal was presented to Yun Hae-chung, counselor at the South Korean trade representative in Beijing, when he visited the Chinese Foreign Ministry over the weekend to explain the results of the fifth inter-Korean prime ministers' talks, they said.

China welcomed the agreement on reconciliation, non-aggression and exchanges and cooperation, and suggested that rail and road links would be ideal for economic development, they said.

North Korea and China are already connected, and it was only necessary to extend the routes southward to Seoul, they said.

The inter-Korean agreement, signed Dec. 13, says both sides shall reconnect roads and open South-North Korean land, sea and air transport routes.

South Korea will propose that Seoul, Pyongyang and Beijing have tripartite talks to discuss the project.

Seoul-Beijing Air Route 'Likely' by Early 1992

*SK1712010491 Seoul YONHAP in English 0030 GMT
17 Dec 91*

[Text] Seoul, Dec. 17 (YONHAP)—A direct air route is likely to be opened between South Korea and China in early 1992 on the strength of the reconciliatory mood forming between South and North Korea, Transportation Ministry and aviation industry sources said Tuesday.

The inter-Korean accord on basic relationships signed last week was expected to positively affect China's attitude toward the air route between Seoul and Beijing, they said.

South Korea and China, with their expanding trade, shared the need for a direct air route, but China's friendship with North Korea had stood in the way.

The two held three rounds of aviation talks this year but were unable to produce an agreement, with Korea proposing a Seoul-Beijing route and China suggesting Tianjin-Seoul and Shanghai-Seoul routes.

The sources said China was avoiding a Seoul-Beijing route out of respect for its relations with North Korea. In the latest aviation talks, in Beijing on Dec. 2-4, China offered to open Tianjin-Seoul and Shanghai-Seoul routes first and add the Seoul-Beijing route after the two countries normalize relations.

South Korea and China do not have diplomatic relations.

The Soviet Government was asking China to open a Beijing-Seoul route at the earliest possible date because it would save fuel and flying time for its flag carrier Aeroflot on the Seoul-Moscow route, they said.

Aeroflot cannot pass through Chinese airspace and has to detour to land at Seoul's Kimpo International Airport, the sources said.

"When we consider the current situation inside and outside the country, it is certain a Seoul-Beijing route is near. A direct route could open by the first half of next year at the latest," an official at the ministry said.

Chinese Fishing Fleet Violates Korean Waters

SK1712092491 Seoul YONHAP in English 0845 GMT 17 Dec 91

[Text] Cheju, South Korea, Dec. 17 (OANA-YONHAP)—A fleet of about 200 Chinese fishing boats was spotted 11-18 kilometers (6-10 miles) west of Cheju island, catching filefish, early Tuesday morning, the Cheju marine police said.

On Saturday, 300 Chinese boats were fishing in open seas 46 kilometers (25 miles) west of the island and 200 of them moved inside the 26-kilometer (14-mile) Korean territorial limit, a police spokesman said.

Ten police patrol boats were sent to ask them to leave, but they refused, he said.

The area where they are poaching—33.45 degrees latitude and 126.16 degrees longitude—is off-limits for fishing to preserve the marine resources.

It is the first time so many Chinese boats have gathered in the area, where yellow corvina and sea bream abound, he said. In mid-December every year, some 10 Chinese boats are discovered in Korean waters.

"Their act is an explicit violation of our territorial waters and therefore it should be dealt with according to the law, but there is little Korea can actually do because it lacks diplomatic ties with China," a fisheries source said.

Accord Signed With Vietnamese Chamber of Commerce

SK1112022491 Seoul YONHAP in English 0125 GMT 11 Dec 91

[Text] Seoul, Dec. 11 (YONHAP)—The South Korean and Vietnamese Chambers of Commerce and Industry have signed an agreement that enables the two nations, which lack diplomatic relations, to set up an economic cooperation committee.

Vice President Cha Sang-pil of the Korean Chamber visited Vietnam on a 31-member Korean trade mission Nov. 30-Dec. 8 and signed the agreement with Secretary-General Doan Ngoc Dong of the Vietnamese Chamber Dec. 6 in Hanoi, a KCCI [Korean Chamber of Commerce and Industry] official said Wednesday.

The nine-article agreement calls for the establishment of an economic cooperation committee with offices in Seoul and Hanoi, and for encouraging businessmen of both nations to actively participate.

The two chambers also agreed to cooperate in expanding and developing joint ventures and technology transfer and exchanging information to promote bilateral economic cooperation.

A KCCI official who accompanied Cha predicted the exchange of offices could not be achieved until Korea and Vietnam normalize relations.

Russian Envoy Seeks Help for Agriculture Reform

SK1712092291 Seoul YONHAP in English 0804 GMT 17 Dec 91

[Text] Seoul, Dec. 17 (YONHAP)—Russia asked Korea for help with its agricultural reforms Tuesday in a message given by Ambassador Oleg Sokolov to Cho Kyong-sik, the agriculture, forestry and fisheries minister.

The Russians asked Korea to set up a school for farmers and meat- and milk-processing factories, supply land measuring equipment and transfer advanced farming skills.

Cho told Sokolov he would examine the requests with the relevant ministries and expressed his hope for an early meeting of the Korea-Soviet fisheries committee and conclusion of a bilateral forestry agreement.

Sakhalin Island Welcomes ROK Investment

SK1312042391 Seoul THE KOREA TIMES in English
13 Dec 91 p 5

[First in a series of articles by correspondent Yu Chin-su on ROK-Soviet economic cooperation; all non-Korean names as published]

[Text] Yuzhno-Sakhalinsk, Sakhalin—The economic chaos, now gripping the Soviet Union, is threatening to nip the nascent Korean-Soviet economic ties in the bud.

However, the earlier euphoria over bright prospects for economic cooperation remains intact—in the Soviet far east.

So far, optimism has outstripped reality in the region. Bilateral economic cooperation is expected to shift into full gear in the long run, according to interviews with officials, businessmen and academics in this capital city of Sakhalin Province, Vladivostok and Khavarovsk.

In fact, Korea and the Soviet far eastern region should see growth in trade and economic cooperation.

The sleepy far east has just awakened to open its door to foreign capital and high technology for its modernization. Korea has money, experience and expertise to help develop its abundant mineral resources, raw materials and low-cost labor. The two sides also have a geographic advantage.

Propelling the toddling partnership onto the right track will be hundreds of thousands of Soviet Koreans who have been noted for their diligence, hard work and business talent.

Now, the winds of economic reform are blowing across the Soviet empire's outpost where a statue of Lenin still stands overlooking a dormant, potholed street lined with ramshackle buildings months after the collapse of communism.

Sakhalin Governor Valentin Pyodorov, a former economics professor at Moscow University, is trying to shift this North Pacific islands into a test ground for a free market economy and for economic cooperation with foreign enterprises.

Sakhalin will also be a kind of litmus test for its economic partnership with aggressive Korean businessmen.

First Vice Governor Mozolevsky Valeviy Pavlovich said, "We urgently need foreign capital, technology and skills to help materialize our ambitious development projects. We want an efficient and reliable economic partner. Our special interests are glued to Korea as we would like to copy the impressive economic development and experiences the resources-poor Koreans have accomplished from the ashes of war. However, there has been no prominent presence of the Korean economy here."

Sakhalin is rich in mineral resources, fish, timber and raw materials. For example, Mozolevsky said, coal abounds in Sakhalin. "An estimated 2 billion tons of coal have recently been confirmed to be buried underground, let alone huge deposits of coal on the surface."

Other lucrative projects include timber processing, fishery products, producing high-quality marble for exterior use and the development of hot spring and mineral waters, according to the 46-year-old official who is in charge of public utilities, oil, forest, building, communications and transportations.

Several big companies are actively looking into the commercial potential of the far eastern Soviet market.

Blazing new trails in the Soviet far east is Hyundai, Korea's top business group. Hyundai teamed up with Amaco of the United States and Australia's BHP [expansion unknown] to bid for the right to develop oil and gas in the continental shelf, northeast of Sakhalin. Six other consortiums are vying to search for gas and oil.

Initial findings show there is 500 million tons of oil and one trillion cubic meters of gas in the offshore field, said Mozolevsky.

Mozolevsky said in an interview that some 15 billion dollars will be required to undertake the great oil-gas project including infrastructure development.

Under the on-going free market system, Mozolevsky said, this province will need many construction materials to construct private housing units and infrastructures. One scheme under consideration is to set up a cement plant with the capacity to produce 15 million tons of cement.

Also under consideration is a plan to build another air terminal and hotels in order to house the ever-rising number of tourists and businessmen from the rest of the world, he said.

These and many other projects call for foreign investments and joint ventures. "Especially, we welcome as many veteran businessmen from Korea—which made a successful transition from a centralized system to a market economy," he said.

"Korean businessmen must get up the courage to invest here. First investors will see more profits than latecomers."

The Sakhalin Government gives many incentives to attract foreign investment in key industries. New regulations allow foreign ventures to lease land for at least 70 years, compared with 50 years for other regions. Foreign investors would receive the same treatment as local ones. They will also be allowed to send their profits to their home countries. It also offers five-year tax breaks to joint ventures with at least 30 percent foreign ownership.

"Korea has another advantage: Soviets of Korean descent. These Korean brethren are diligent, hard-working, disciplined and well educated—strong enough to carry out any project," said Kang Min-ung, president of the Korean Association of Sakhalin.

However, the sweetness of dazzling prospects for bilateral trade and economic cooperation has turned sour. Korea is providing a \$3 billion credit line to the Soviet Union. However, the ever-worsening economic crisis and social unrest erased the once rosy picture of a close partnership painted in earlier and which saw three summit meetings between the two countries in 10 months.

Now potential investors and skeptical businessmen from Korea are watching and waiting, seeking specific fields for long-term cooperation and long-term trading opportunities.

At present there are only two joint ventures involving Korean capital and operation. They are Jindo which makes and markets fur products, and Hyundai which is a partner of the lumber company Svetlaya. Direct Korean investment stood at \$1,480,000. Only four more Korean companies were authorized by the Korean government to put \$18.5 million into their projects in the far east and Alma Ata.

But Hyundai, Samsung, Lucky Goldstar, Samwhan, Kolon and five other companies are negotiating on some 50 joint ventures including foot wear, coal, hotel construction and consumer products with their Soviet partners, said Pak Yong-pok, deputy director general of the Korean Trade Promotion Corporation in Moscow.

Pak said, "The bilateral economic partnership face its most crucial phase in this coming years."

Argentine Foreign Minister Arrives 11 Dec

Signs Investment, Taxation Agreements

SK1212102891 Seoul YONHAP in English 0916 GMT 12 Dec 91

[Text] Seoul, Dec. 12 (OANA-YONHAP)—South Korean Foreign Minister Yi Sang-ok and his Argentine counterpart Guido di Tella agreed Thursday to sign a multiple-visa accord and promote agreements on investment protection and avoidance of double taxation.

A Foreign Ministry official quoted di Tella as saying Argentina hoped to attend the Asia-Pacific Economic Cooperation meetings as an observer.

Yi expressed gratitude for Argentine urge on North Korea to sign the Nuclear Safeguard Accord during a recent International Atomic Energy Agency meeting.

The Argentine minister arrived in Seoul late Wednesday [11 December] for political and economic cooperation talks and is to leave Korea Sunday [15 December].

Korea and Argentina normalized ties in February 1962.

Urges 'Wider' Diplomatic Activities

SK1412032791 Seoul YONHAP in English 0203 GMT 14 Dec 91

[Text] Seoul, Dec. 14 (YONHAP)—Argentine Foreign Minister Guido di Tella told a news conference it was time for Korea to turn its eyes to South America for wider diplomatic and economic activities.

"Through reforms in Argentina's economic policies, we offer many possibilities," he said, inviting active Korean investment.

The South American common market "Mercosur," which groups Argentina, Brazil, Uruguay and Paraguay, will create a vast consumer market of 210 million people. Mercosur aims at zero percent tariffs by the end of 1994 and will create most favorable and open conditions for foreign investment, di Tella said.

"South Korea and Argentina lacked close ties in the past because of geographical distance, but it is time for South Korea to widen its view to include South America," said di Tella, winding up his four-day visit to Korea.

The two countries are currently holding talks on signing an investment guarantee pact.

Multiple Visa Accord Initialed With Argentina

SK1412033091 Seoul YONHAP in English 0213 GMT 14 Dec 91

[Text] Seoul, Dec. 14 (YONHAP)—South Korea and Argentina initialed an agreement on issuing multiple visas for business purposes Saturday, the first such accord for Argentina, the Foreign Ministry said.

The agreement will take effect early next year, allowing multiple entries for a maximum 30-day stay each time.

It was initialed by Yi Chang-ho, director-general of the Foreign Ministry's International Treaties Bureau, and Ruben Vela, Argentina's ambassador to Korea.

Burma

Opposition: Junta Forced Aung San Suu Kyi Removal

BK1612134491 Hong Kong AFP in English 1334 GMT
16 Dec 91

[Text] Bangkok Dec 16 (AFP)—Burma's jungle-based opposition claimed Monday that Rangoon's ruling junta forced the country's main pro-democracy party to expel Nobel Peace Prize winner Aung San Suu Kyi at gunpoint.

In a statement issued here, Burma's parallel government, which was set up last year in the jungle near the Burmese border with Thailand, added that her expulsion from the National League for Democracy (NLD) was part of a policy by the military to "break the opposition. [no end quote as received]

Aung San Suu Kyi, 46, was expelled from the NLD by the party's new military approved leadership, according to an official statement from the Burmese Government in Rangoon on Sunday.

"We believe the acting leadership of the NLD are faced with a crisis, and are threatened at gunpoint by the military regime," said the statement of the National Coalition Government of the Union of Burma (NCGUB).

"We...strongly denounce and decry" Aung San Suu Kyi's removal from the NLD, the statement said.

The NCGUB is formed of NLD politicians who fled Rangoon last year to form a parallel government after the military intensified its repression against the pro-democracy movement.

The worst-affected by the repression campaign was the NLD, which had earlier in the year swept general elections but was denied power when the junta refused to hand over power.

About 70 NLD members of parliament have been imprisoned, while an estimated 300 to 400 party workers have been forced to resign, the statement said.

Six Government Soldiers Surrender to Rebels

BK1712001091 Hong Kong AFP in English 1714 GMT
16 Dec 91

[Text] Bangkok Dec 16 (AFP)—Six Burmese Government soldiers have surrendered to ethnic guerrillas of the Kachin Independent Army (KIA), a spokesman for Burma's jungle-based opposition government said Monday.

The six soldiers from Rangoon's 237th Regiment had surrendered on November 27 at the KIA frontline near Sama village, 40 kilometers (25 miles) northeast of Myitkyina, the capital of Burma's northern Kachin State, the spokesman told AFP by telephone.

The troops also handed over their weapons and ammunition supplies, said the spokesman of the National Coalition Government of the Union of Burma (NCGUB).

The KIA is the second strongest insurgent group in Burma and one of a dozen which have been waging a protracted guerrilla war for regional autonomy from the central government in Rangoon.

Army Column Discovers Rebel Mine Near Thaton

BK1412153491 Rangoon Radio Burma in Burmese
1330 GMT 14 Dec 91

[Text] The KNU [Karen National Union] terrorist insurgents have been conducting destructive activities such as planting mines on Thaton-Myaingale railway track with intent to kill and maim innocent commuters. Accordingly, an Armed Forces column discovered explosive devices that had been planted like a mine on 13 December.

At 0730 on that day, a dutiful citizen gave a tip-off that the KNU terrorist insurgents had planted a mine on the Thaton-Myaingale railway track near Naungkyan village, four miles from Duiyinseik.

In clearing the area the Armed Force column discovered two packets, each containing about 50 pieces of Gelignite explosives six inches in length and three inches in circumference wrapped in paper, one detonator, and about 10 feet of wire.

The Armed Forces columns are making efforts to expose and crush the KNU insurgents and their hardcore members responsible for the incident.

Lao Delegation Arrives for Joint Border Talks

BK1612154391 Rangoon Radio Burma in Burmese
1330 GMT 16 Dec 91

[Text] At the invitation of the Government of the Union of Myanmar [Burma], a Lao delegation led by Mr. Souban Salitthilat, deputy foreign affairs minister, arrived in Yangon [Rangoon] by air this evening to attend the second meeting of the Lao-Myanmar Joint Border Commission.

The Lao deputy minister and delegation were welcomed at Yangon airport by U Ba Tin, director general of the International Organizations and Trade Department of the Ministry of Foreign Affairs; Thura U Aung Htet, director general of the Protocol Department; U Aye, deputy director general of the Political Department; Lao Ambassador Mr. Kideng Thammavong; members from the Myanmar side of the Lao-Myanmar Joint Border Commission; and responsible officials from the Lao Embassy.

The Lao delegation will stay in Myanmar until 19 December and will hold discussions with the Myanmar delegation led by Foreign Minister U Ohn Gyaw. The

discussions will concern matters of surveying the Myanmar-Laos border along the Mekong River.

Brunei, Malaysia & Singapore

Malaysia

Mahathir Urges Good Ties With Singapore

BK1612112691 Singapore THE STRAITS TIMES in English 13 Dec 91 p 2

[By Kalimullah Hassan]

[Text] Kuala Lumpur—Prime Minister Datuk Sri Dr Mahathir Mohammed said yesterday that Malaysia and Singapore must always maintain good relations for their mutual benefit.

Dr Mahathir told a visiting high-powered business delegation from Singapore that relations between the two countries had improved greatly over the last 10 years.

Officials who attended the meeting said that Dr Mahathir told the delegation that Malaysia wanted relations with Singapore to "remain at an even keel all the time".

The officials said that the Malaysian Prime Minister was pleased with Singaporean participation in Malaysia's economic growth and stressed that businessmen from both countries should continue the existing cooperation between them.

They said Dr Mahathir reiterated that because of their close historical links, the peoples of Malaysia and Singapore knew each other far better than they did others.

"We literally speak the same language and it is Malaysia's policy to maintain good relations with Singapore. We should look forward, not backwards," the officials quoted Dr Mahathir as saying.

However, they said that Dr Mahathir cautioned that continued good relations depended on the attitude of leaders in both countries and how they reacted to sensitive stories played by newspapers from both sides of the causeway.

"Malaysia and Singapore have learnt over the years how to live with each other and benefit from co-operation with each other," the officials quoted him as having told the Singaporean businessmen.

"An unstable Malaysia is not good for Singapore as much as an unstable Singapore is not good for Malaysia."

Officials said Dr Mahathir also told the businessmen that when investing in Malaysia, they had to conform to Malaysian policies.

The Prime Minister added that so far, Singaporean businessmen had been very sensitive to the realities in Malaysia.

They said he expressed appreciation for the role Singapore businesses had played in Malaysia's progress and said his meeting with the high-powered delegation gave him the opportunity to correct misconceptions they might have.

He stressed that Malaysia was different from Singapore although both countries had a multi-racial population.

Dr Mahathir said that while in Singapore the Chinese had an overall majority, in Malaysia no single race could claim the same.

"He said Malaysia had a delicate racial mixture and had proven that after the 1969 racial riots, it had handled its racial politics very well," the official said.

Ministry Appoints Cambodian Representative

BK1412125691 Kuala Lumpur BERNAMA in English 0333 GMT 14 Dec 91

[Text] Kuala Lumpur, Dec 14 (OANA-BERNAMA)—Deva Mohamed Ridzam has been appointed Malaysian ambassador and special representative to the Supreme National Council (SNC) of Cambodia, the Foreign Ministry announced Friday.

Deva, 44, was under-secretary (economic affairs) in the ministry, having previously served in Canada, Vietnam and South Korea.

He will leave for Phnom Penh on Monday [16 Dec].

Singapore

Equipment Said Sold To Hong Kong, Not Iran

BK1412055691 Singapore THE STRAITS TIMES in English 13 Dec 91 p 25

[By Sandra Davie]

[Text] A Singapore company, which was charged by the American government with selling sensitive, U.S.-made equipment to Iran, has said it believed its customers were Hong Kong companies and not Iranian arms dealers.

The company, Aero Systems Pte. Ltd, said this in response to a STRAITS TIMES report on Monday about the charge. Its response was in a press statement prepared by its parent company in Miami.

The STRAITS TIMES report said that the Singapore company, its parent U.S. company, and a fellow subsidiary in Hong Kong, Hierax, were charged with selling millions of dollars' worth of navigational equipment used in the F-4 Phantom jets to Iranian companies.

The report also said that two former Aero Systems Inc. employees, both Australians, had been charged, and that a Japanese company, Japan Aviation Electronics (JAE), and three of its employees were also charged.

In several of the alleged deals, JAE is said to have sold the items to Aero Systems Pte. Ltd of Singapore, which then had them transferred to two Iranian-held companies in Hong Kong, Faisun and Gold Manner.

The STRAITS TIMES also reported that two Singaporeans linked to the company, Aero Systems Private Limited, were among those under investigation by the U.S. government.

In its reply, Aero Systems said that the deals occurred only in Japan, where its customers, Faisun and Gold Manner maintained an office.

It had this to say about the charge: "The indictment alleges that JAE violated the licence agreement in the mid-1980s by providing these parts to Iran through two of Aero Systems' foreign subsidiaries without obtaining approval from the U.S. State Department.

"However, the Hierax and Aero Systems Pte Ltd customers (Faisun and Gold Manner), believed to be Hong Kong corporations, maintained an office in Japan and physically received delivery of the parts in Japan."

The STRAITS TIMES' checks with company records in Hong Kong showed that Faisun and Gold Manner were companies owned by three Iranian merchants—Seyyed Valiollah Miran, Shahpour Afrashteh and Davood Salimian.

The companies also listed an address in Tokyo, Japan.

In the statement, Aero Systems also said that the charge did not say that any of their employees had knowledge that such transactions occurring within Japan violated U.S. laws, or that they even knew that they would be bound by U.S. laws in such situations.

Selling arms to Iran has been illegal in Japan and the U.S. since the taking of American hostages in 1979.

THE STRAITS TIMES checked the charge documents from the U.S. Attorney's Office. The charges say that the deals were put through by Aero Systems and JAE employees with knowledge that the aircraft parts were meant for Iran. Company officials here refused to comment further on the statement.

Burmese Students' 10 Dec Protest Rally Viewed

BK1612113091 Singapore THE STRAITS TIMES
in English 14 Dec 91 p 32

[Editorial: "The Limits of Tolerance"]

[Text] Over-reaction is said to be the characteristic of insecure governments. That is not entirely true. While oppressive regimes respond violently to peaceful dissent because they are desperate, they can do so also because

they know that they will get away with it. Unfortunately, the second interpretation appears to apply to Myanmar [Burma]. The junta's decision to close indefinitely institutions of higher education throughout the country does not appear to stem from any real threat to its rule. Tuesday's demonstration at Yangon [Rangoon] University, which coincided with the award of the Nobel Peace Prize in Oslo to detained opposition leader Aung San Suu Kyi, was a symbolic protest, no more. However, it led to many students being arrested as the campus was cleared. The authorities might have cracked down swiftly to avoid a repetition of the events of 1988, when student protests snowballed into nationwide demonstrations which were put down at the cost of thousands of unarmed lives. However, the difference this time is that while discontent is rife among Myanmar's intelligentsia, the law-and-order situation is well under control. The junta acted the way it did because it knew it would not be called to account.

What is unfortunate is that it enjoys the privilege of behaving this way. It killed thousands of protesting civilians on the streets of Yangon and elsewhere in 1988; it put the enormously popular Aung San Suu Kyi under house arrest in July 1989; it called elections in May 1990, which her National League for Democracy (NLD) won by a landslide; it refused to hand over power then; it refused to hand over power today. Each step led cynically to the next on a blood-sprinkled trail. Different reasons were given for the different steps. Now, it was the need to guard national sovereignty, the protesters being agents of foreign powers out to destroy Myanmar; next, it was the need to protect stability, allowing the NLD to take power without drawing up a new Constitution being tantamount to instability; then, it was the need for Myanmar to develop economically, politics being seen as the spanner in the works. Whatever the lame excuse, the meaning was the same: it would not give up power. Repression would continue.

Should it? Should ASEAN, for example, indirectly legitimise that repression by keeping links open with Myanmar's rulers? The argument that cutting off links would be counter-productive—Myanmar would retreat into isolationism—made sense only as long as it was possible to believe that the junta would, at some moment politically convenient to it, hand over power to duly-elected legislators. Every action it takes shows that it has no intention of doing so. This makes it hard for Asian nations not to re-examine the premises of their constructive engagement with this regime.

Doing so would not mean sanctioning the West's self-serving agenda on Third World democracy. Myanmar is a clear case of a ruling cabal refusing to honour the results of popular elections and trampling on human rights. The West must recognise the difference and not lump other Asian nations and Myanmar together in the same category as countries that it has a duty to democratise. Certainly, military or financial help to those trying to force the junta from power is not in order. What is not inconceivable as an option for Asian countries is to make

it clear to Myanmar that economic links are hard to keep up without political reform, especially when they themselves are likely to come under pressure. Doubtless realists will argue that taking such a step may entail a cost to the national interest, but it could be counter-argued that national interest need not be so narrow as to have no place for principles—and that principles become real only when nations, like people, are prepared to pay for them. The people of Myanmar are suffering, and they turn to their Asian neighbours for solidarity. The least the latter can do is re-appraise the situation.

Restrictions on Tourist Travel to SRV Eased

BK1612092891 Singapore THE STRAITS TIMES in English 16 Dec 91 p 3

[By Angeline Teo]

[Excerpt] Singaporeans can now travel as tourists to Vietnam following the easing of travel restrictions by the government earlier this month.

THE STRAITS TIMES found out from the Immigration Department that the move came following recent political developments in Indochina and the lifting of the investment ban in Vietnam.

Previously, travel to Vietnam was restricted to those going on business. The processing of an endorsement by the government would take about three weeks. Now, it can be done in a day.

With peace restored in Indochina and the signing of the Cambodian treaty in October this year, Vietnam is inviting foreign investments and welcoming tourists. [passage omitted]

Cambodia

Gareth Evans Continues Peace Implementation Visit

Meets Press, Explains Motives

BK1712091191 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 17 Dec 91

[Text] On the afternoon of 16 December 1991 following his arrival in Cambodia, His Excellency [H.E.] Senator Gareth Evans, minister of foreign affairs and trade of Australia, held a news conference at the Cambodiana Hotel in order to inform the press of the purpose of his visit to Cambodia.

Addressing domestic and foreign journalists, H.E. Senator Gareth Evans stressed that it was the first time he had visited Cambodia since 1968 when, as a student, he came to Cambodia. His current visit to Cambodia is mainly aimed at organizing the implementation of the peace plan signed in Paris so that it will be 100 percent successful, particularly the provision concerning development aid to Cambodia.

He stressed that Australia will provide additional aid worth more than 2.3 million Australian dollars for various development programs in Cambodia. This fund will be donated through Australian nongovernmental organizations in Cambodia. The fund will be distributed to the health and educational sectors, including child-care, AIDS prevention, agriculture, and food production in Cambodia. He also emphasized that Australia is very happy to join other countries in the world to contribute to enabling the Supreme National Council Secretariat to successfully perform its role.

The conference ended in a cordial and joyous atmosphere after H.E. Senator Gareth Evans had given detailed answers to all questions raised by the domestic and foreign journalists.

Received by Chea Sim

BK1712070291 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 17 Dec 91

[Text] At 1500 on the afternoon of 16 December at the office of the Cambodian People's Party [CPP] Central Committee, His Excellency [H.E.] Chea Sim, chairman of the CPP Central Committee, National Assembly, and the National Council of the Kampuchean United Front for National Construction and Defense, granted an audience to H.E. Senator Gareth Evans, Australian minister of foreign affairs and trade, and his delegation.

H.E. Chea Sim extended a warm welcome to the guests and stressed that the Australian Foreign Ministry delegation's presence was very significant in regard to strengthening relations between the two countries and as a contribution to the consolidation of peace in Cambodia—a peace which was achieved through H.E. Gareth Evans offering many appropriate formulas and sending H.E. Deputy Foreign Minister Costello to work on several occasions with H.E. Council of Ministers Chairman Hun Sen, thus bringing about the signing of the Paris peace agreement.

H.E. Chea Sim expressed profound thanks to H.E. Gareth Evans and the Australian Government for patiently making all-out efforts in the process aimed at achieving this solution. He also stressed that the remaining question is the thorough implementation of the peace agreement, adding that the State of Cambodia's Government has always abided by, and strived to implement, the spirit of this agreement.

H.E. Chea Sim also informed the guests about the past difficulties experienced by the CPP, which have led the Cambodian people to build their nation from scratch until achieving such noteworthy progress. He said that the CPP desired to send a party delegation to Australia in order to gain experience in party leadership work.

In his reply, H.E. Gareth Evans stressed that everything Australia has done for Cambodia was from its heart and

that it was Australia's duty to work for the Cambodian people, who have been victimized by a protracted war.

The Australian side also welcomed the CPP's desire to send a party delegation to Australia to study how a party is run.

Hun Sen Receives Australia's Evans 16 Dec

Explains Country-Wide Situation

*BK1712042091 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
16 Dec 91*

[Text] On the morning of 16 December at 1000, immediately after arriving in Phnom Penh, His Excellency [H.E.] Gareth Evans and delegation paid a courtesy call on H.E. Hun Sen, chairman of the Council of Ministers, at the office of the Council of Ministers.

H.E. Chairman Hun Sen warmly welcomed the guest, whom he considered as an older brother, for his visit to the State of Cambodia as promised during a recent meeting in Australia.

H.E. Gareth Evans expressed joy on returning to Phnom Penh, which he visited in 1968 when he was a student and when the country was fully at peace. H.E. Gareth Evans talked about [words indistinct] of peace being restored in Cambodia, although the road is still long, with the assistance of countries the world over, the United Nations, and members of the Cambodian Supreme National Council, who have to implement the Paris agreement.

Afterward, H.E. Hun Sen informed the guest in detail about the situation in Cambodia following the signing of the Paris peace agreement. There are some good results, but there are also some obstacles, which are being overcome. H.E. Hun Sen called on the Australian side to speed up the implementation of the agreement, including the presence of the UN Transitional Authority in Cambodia [UNTAC] so it can carry out its tasks before the rainy season.

The Australian side agreed with the proposal made by H.E. Hun Sen on the presence of UNTAC. Apart from this, the Australian side also planned to [words indistinct] infrastructures. The Australian side will provide telecommunications equipment worth 40,000 Australian dollars and some office equipment worth 25,000 Australian dollars.

Discusses Peace Plan

*BK1712063591 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
17 Dec 91*

["Talks with local and foreign media" at the office of the Council of Ministers in Phnom Penh on 16 December by Hun Sen, chairman of the State of Cambodia Council of Ministers and member of the Cambodian Supreme

National Council, SNC, after "one-hour talks" with Australian Foreign Minister Gareth Evans—recorded]

[Hun Sen] The visit by His Excellency Gareth Evans is a very important one. He is the first architect of the UN peace plan. His presence in Phnom Penh after this peace plan has been implemented for a period of time is a very important element necessary for us to move forward.

On the talks we held an hour ago, we discussed general matters relating to the implementation of the agreement and views of the future. I have informed him that, generally speaking, the atmosphere is very good despite some violations [words indistinct].

I also talked about a number of problems relating to the process in the near future. I want a quick deployment of the UN Transitional Authority in Cambodia [UNTAC]; the demobilization of 70 percent of troops should be achieved before the end of the 1992 dry season. If 70 percent of troops cannot be demobilized [words indistinct] a number of problems for us. First, it is the difficulty in preparing the areas for troop cantonment; second, it is the transport of troops from various places to the gathering points; and third, it is the problem of daily life of the 70 percent demobilized troops who have become civilians. If [words indistinct] take part in agricultural production.

I proposed that if we cannot demobilize 70 percent of troops in general, we should demobilize 70 percent of regular troops before the end of the [words indistinct]. The majority of regular troops are concentrated on heated battlefields. Normally, regular troops are armed with heavy weapons and modern equipment. If clashes resume in these places, fighting will be fierce. For this reason, we have proposed a 70 percent troop demobilization in order to reduce the danger of fighting being resumed among various forces.

Apart from this I informed His Excellency Gareth Evans of the SNC work. As is known, there have been some obstacles. [Words indistinct] from the people's sentiments against Khmer Rouge leaders when they came to Phnom Penh a few weeks ago. Now we are striving to provide security for leaders of the Party of Democratic Kampuchea so that the SNC can function in Phnom Penh, which is an important part.

As I have said to Gareth Evans, the SNC is facing a political crisis. This political crisis results from Son Sann's proposal demanding that the SNC be made to look like a government or a civilian administration. He proposed that work be allocated among SNC members. This is like dividing tasks in a government. I specified that the SNC is not a government. And Mr. Evans agreed with me on these issues. The agreement did not say that the SNC is a government.

There are relations among the SNC, the UN Transitional Authority in Cambodia, and the on-the-spot civilian administration. Son Sann's proposal was discussed in Phatthaya but was opposed by me. Lately, in his press

statement, through his radio station monitored in Phnom Penh, as well as reports by foreign media, Son Sann has insisted on the division of work among the SNC. I have to specify the position that we do not agree with Son Sann's demand. I call on all SNC members to implement the agreement 100 percent—no more, no less. I would like to warn that if there is a demand that falls outside the agreement, there will be a political crisis within the SNC. This is what I would like to say. If there are any questions, I will answer.

[Questioner's name indistinct] Mak Ben will be coming tomorrow, and probably Khieu Samphan in the next few days. Can you guarantee security for them?

[Hun Sen] It is because we have guaranteed that they are coming; otherwise, they would probably not have dared to come. [words indistinct]

[Questioner's name indistinct] Is there still fighting in rural areas?

[Hun Sen] Generally speaking, the cease-fire has been implemented in major strategic areas. However, banditry and massacring of innocent people seem to have increased during this time. I can say that Khmer Rouge forces are now striving to seize rural villages and communes and mistreat people there. However, the Khmer Rouge leaders say their forces are not involved.

(?Last week) there was an attack on a commune and state authorities there were declared dissolved and village and commune national councils were set up. This is done in many places while the agreement does not say anything about the SNC being a government with a structure from central to local levels. I will raise this issue at the SNC meeting. Any parties carrying out such activities shall be responsible. If they denied that their forces are involved, this means that these people are [words indistinct] armed bandits. If they are armed bandits, we can (?deal with them). However, if any parties are found violating the agreement [words indistinct] appeal that these activities be stopped.

Generally speaking, I can say that the cease-fire, before and after the agreement, seems [words indistinct].

[Questioner's name indistinct] Is the prime minister confident that the peace process is proceeding along a good path, or does he think that there could be some danger to peace?

[Hun Sen] I think that one can be optimistic now. True, we have some problems in the implementation process. It is not only the Cambodian people. This involves UN operations as well. A new problem for the Cambodian people is that the political solution is a new thing for them. The political problem is also a new problem for the United Nations because this is unprecedented in history. There have never been large-scale operations such as the ones being carried out in Cambodia.

Concerning the implementation, it is certainly difficult solving a chronic conflict lasting over 21 years; however

this is not something which cannot be achieved. It is necessary to be optimistic [words indistinct].

The cease-fire is now in effect. The next step is the demobilization of 70 percent of troops and pooling efforts to move toward election by the United Nations. However, we are also very concerned that so far there is no sign of any budget. (?Meetings are being held). No budget has yet been allocated for UNTAC operations in Cambodia, while the on-the-spot administration in Cambodia is pushing for a quick implementation.

[Questioner's name indistinct] Prime Minister, the other day you talked about the possibility of setting up a coalition government with the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC]. [Words indistinct] this participation is an act opposing the agreement. Why do you agree to the inclusion of some parties and the exclusion of some others?

[Hun Sen] I would like to specify issues relating to this matter. Is it the alliance or the demand which violate the agreement? There is a difference. Between Prince Ranariddh and us, it is a question of alliance. Thus, this has nothing to do with violating the agreement. My government remains my government with the participation of Prince Ranariddh within the framework of the alliance. As for Son Sann's demand, it calls on the SNC to allocate tasks as though this is a government. This is the difference. It is contrary to what the agreement says. The SNC cannot be transformed into a government or a civilian administration. I would like to have these two issues separated.

[Questioner's name indistinct] Do you expect any problems when the Khmer Rouge return next week? It is true that you said you can provide security for them. However, is it possible that people would demonstrate against them?

[Hun Sen] At the meeting in Phatthaya, I specified that two aspects should be separated. The first aspect is providing security for Democratic Kampuchean leaders. We will provide security for them between 300 and 500 meters around their place.

The second aspect is human rights. I have no right to ban people from demonstrating. I specified at the Phatthaya meeting that unless the United Nations [words indistinct] not to exercise human rights during the transitional period. This would entail canceling part of the Paris agreement. People have the right to demonstrate. We will prevent these demonstrations from reaching [words indistinct]. As for the government, which is in charge of social order, we do not want demonstrations to take place. However, if these occur spontaneously, what do we do? I categorically declare that we will not use violence or weapons to repress demonstrations, as is done in some countries. In the past, we were willing to let our policemen face danger from demonstrations. We will

not fire on demonstrators but we will prevent them from reaching Democratic Kampuchea leaders. [words indistinct] of the government.

Khmer Rouge Delegation Arrives in Phnom Penh

BK1712042691 Hong Kong AFP in English 0350 GMT 17 Dec 91

[Text] Phnom Penh, Dec 17 (AFP)—Eight Khmer Rouge officials and bodyguards returned here Tuesday, 10 days after a mob attack on the faction's leader sent them fleeing to Bangkok.

They refused to say when faction head Khieu Samphan and military chief Son Sen would return to Phnom Penh to sit on the Supreme National Council (SNC), a reconciliation body that groups leaders of the Phnom Penh government with those of the three guerrilla factions.

"We'll let you know soon," said Chan Youran, who was ambassador to key ally China during the Khmer Rouge's bloody 1975-1979 rule over Cambodia.

The other senior Khmer Rouge official on the commercial flight from Bangkok was Mak Ben, the faction's representative on the six-person SNC secretariat, which is to handle administrative matters for the 12-member SNC.

He was greeted by other secretariat members, including Phnom Penh's Chum Bonrong who told reporters Khieu Samphan and Son Sen would "come soon."

Preparations for their return have clearly not been completed, however.

Following the mob attack that took place just hours after Khieu Samphan arrived here on November 27, the SNC met in Thailand and agreed to allow the Khmer Rouge to be housed at the SNC headquarters for their safety.

But the Khmer Rouge officials who arrived Tuesday were taken to the lightly-guarded Sakol I Hotel because the rooms at the SNC have not yet be furnished. [as received]

"They want to move into the SNC as soon as possible. If it has electricity and running water, that's enough—they can buy their beds here," said an Asian diplomat who monitored their arrival.

Phnom Penh Prime Minister Hun Sen pledged after the November 27 attack to guarantee the safety of the Khmer Rouge, without whom the SNC cannot meet. But he has said he has no right to prevent peaceful demonstrations.

Last month's mob attack, which nearly derailed the peace process, appeared to be a government-sponsored demonstration that got out of control.

The October 23 peace treaty signed by the four factions calls for the SNC to meet in Phnom Penh to represent

Cambodian sovereignty and advise United Nations officials, who are to oversee the administration of the country and disarm the rival armies ahead of elections in 1993.

Khmer Rouge efforts to create a pure communist state in Cambodia after they seized power in 1975 left an estimated one million people dead.

They were ousted in January 1979 by Vietnamese troops who installed the current government, triggering 12 years of guerrilla war.

Son Sann Arrives, Appeals for National Unity

BK1712032491 (Clandestine) Voice of the Khmer in Cambodian 1100 GMT 16 Dec 91

[Text] His Excellency [H.E.] Son Sann, president of the Khmer People's National Liberation Front [KPNLF] and member of Cambodia's Supreme National Council [SNC], and colleagues arrived in Phnom Penh yesterday to attend the SNC meeting. He made an appeal calling for national unity.

H.E. Son Sann, president of the KPNLF, is leader of the first resistance faction to arrive in Phnom Penh following an attack on leaders of Democratic Kampuchea [DK] which nearly jeopardized the Paris peace agreement.

H.E. Son Sann said upon arrival in Phnom Penh from Bangkok that he came to Cambodia in order to work for the Cambodian people and for national interest, not for the KPNLF alone. He called on all Cambodian people to make joint efforts in order to correctly implement the Paris peace agreement.

The SNC planned to hold its first meeting in Phnom Penh two months ago. But that meeting was canceled following a violent demonstration staged by Cambodian people in an attempt to avenge DK leader Khieu Samphan.

It is still not known when the SNC will next meet since Khieu Samphan has not yet set a schedule for his coming to Phnom Penh.

Previously, H.E. Son Sann proposed that officials from all factions be given posts in the Cambodian Government during the transitional period. He himself also desired to have a role to play in the economic and financial affairs of that government.

The Hun Sen's side yesterday rejected H.E. Son Sann's proposal for all Cambodian factions to work together to rebuild Cambodia.

The trade minister of the Hun Sen side rejected this proposal upon H.E. Son Sann's arrival in Phnom Penh from Bangkok.

Earlier, H.E. Son Sann said that Cambodia's current economic and financial affairs involve difficult problems that must be remedied. He said that, as a knowledgeable

and experienced man, he could not just stand idly by, adding that it would not be his fault if he were prevented from helping in this work.

Government Posts for Resistance Officials Proposed

Sihanouk, Ranariddh Support Proposal

BK1712105591 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 17 Dec 91

[Text] Hun Sen, member of the Cambodian Supreme National Council [SNC] representing the State of Cambodia side, rejected the proposal of His Excellency Son Sann, president of the Khmer People's National Liberation Front [KPNLF], who called on the SNC to organize state affairs into various ministries with the participation of all sides.

Earlier, Samdech Preah Norodom Sihanouk, head of state and SNC chairman, and Prince Norodom Ranariddh, leader of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and SNC member, declared their support for His Excellency Son Sann's proposal. There has been no reaction yet from the Party of Democratic Kampuchea.

Hun Sen rejected Son Sann's proposal in Phnom Penh yesterday saying that the SNC is facing a crisis because of Son Sann's proposal. Son Sann, who is currently in Phnom Penh, has said he does not have any desire except to help improve Cambodia's standing. In particular, since he has expertise in the economic field, he wants to assist only in this field with the participation of all sides to solve Cambodia's worsening economic problems.

Son Sann has declared that he has no intention of taking any staff away from the ministry Hun Sen has set up but instead wants to add staff to work together as Cambodians, organize staff, and provide them with sufficient salary and improve the people's living standards. Son Sann has said this since the first meeting of Cambodian parties in Bogor in 1988.

Earlier, an official of the KPNLF said solving the country's economic problems through selling off national property is not a proper solution; to do this successfully requires assistance from economists.

Minister Rejects Proposal

BK1512044291 Hong Kong AFP in English 0430 GMT 15 Dec 91

[Text] Phnom Penh, Dec 15 (AFP)—Phnom Penh rejected Sunday faction leader Son Sann proposal that resistance officials be given government posts alongside their former enemies.

Phnom Penh Trade Minister Nhim Vanda spoke moments after Son Sann returned here from Bangkok and renewed his call for all Cambodian factions to work together to rebuild Cambodia.

"Economic affairs are the responsibility of the government of the State of Cambodia," said Nhim Vanda, who happened to arrive on the same commercial flight as Son Sann. After the elections maybe it will be different."

The October 23 Cambodian peace treaty calls for leaders of the Phnom Penh government and the three guerrilla factions to meet here on the Supreme National Council (SNC), which represents Cambodian sovereignty until the United Nations organizes general elections in early 1993.

U.N. officials are to oversee the administration of the country in the run-up to elections, but the four factions will retain many duties in the areas they control—80 percent of the country in the case of the Phnom Penh government.

"I come here to work for the Cambodian people and for the national interest. Not for one party. I appeal to all Cambodians from every walk of life to help me," Son Sann, 80, said upon arrival.

"Those who work with our friends in Phnom Penh (within the SNC) should also have a share in rebuilding the country." The non-communist leader said last week in Bangkok that resistance officials should be assigned government titles "so as to enable the international community to recognize us."

Son Sann's U.S.-backed Khmer People's National Liberation Front, weakened by internal rifts, is the least influential of the three resistance factions.

Chinese arms have made the Marxist Khmer Rouge the most powerful of the factions, while the non-communist faction led by Prince Norodom Ranariddh is buoyed by its association with the prince's father, SNC president Prince Norodom Sihanouk.

Son Sann was greeted by Ieng Mouly, the KPNLF's other representative on the SNC, and Phnom Penh's ranking deputy foreign minister, Dith Munty.

Prince Ranariddh was expected to return here Monday followed Tuesday by some Khmer Rouge officials.

No word has yet been provided on the date for the return of Khmer Rouge leader Khieu Samphan, who was sent fleeing back to Bangkok by a lynch mob when he first returned here November 27.

Foreign Minister Discusses Power Sharing, SNC

BK1712073191 Phnom Penh SPK in French 0402 GMT 17 Dec 91

[Text] Phnom Penh 17 Dec (SPK)—Hor Namhong, minister of foreign affairs of the State of Cambodia [SOC] and member of the SNC [Supreme National Council of Cambodia], granted an interview to our news agency on Monday, 16 December. Following are its questions and answers:

[Question] Mr. Minister, as an SNC member, what do you think of the proposal by some of your colleagues in the SNC to share the country's political and economic responsibilities among the SNC members?

[Hor Namhong] On 23 October 1991 all SNC members signed the Paris agreement on Cambodia. Therefore, everybody must fully implement this agreement 100 percent, no more and no less.

The Paris agreement does not give government responsibilities to SNC members, nor does it make a government out of the SNC, and His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the SNC, has declared on many occasions that the SNC is not a government.

While solemnly declaring their approval of the 22 June 1991 five-point proposal of His Royal Highness Prince Norodom Sihanouk in Phatthaya in June 1991, all SNC members also recognized that during the transitional period, and I quote, "the two governments continue to function in their respective zones...."

The Paris agreement itself talks, during that transitional period, about the "existing administration" which UNTAC [UN Transitional Authority in Cambodia] controls so that the elections that it organizes can proceed in a neutral environment.

Also, in order to prevent confusion and even conflicts during that already complex transitional period, each party must strictly implement the accords that it has signed and endorsed.

[Question] What then is the task of the SNC?

[Hor Namhong] Being the symbol of Cambodia's sovereignty, the SNC represents Cambodia on the international stage and, during the transitional period, keeps an eye on the implementation of the Paris agreement to which all its members had applied their signatures.

Its essential task is, on the one hand, to cooperate with UNTAC as the symbol of Cambodia's sovereignty so that all parties involved respect and fully implement the clauses of the 23 October 1991 Paris agreement and, on the other, represent Cambodia on the international stage.

Meets Amnesty International Official

*BK1712045291 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
16 Dec 91*

[Text] On the morning of 13 December at the office of the Foreign Ministry, Hor Namhong, the State of Cambodia's foreign minister and member of the Cambodian Supreme National Council [SNC], received for talks Roger Clark, general secretary of Amnesty International, who is on a visit to Cambodia.

Hor Namhong talked about the implementation and defense of human rights, to which the State of Cambodia's Government has paid attention in accordance with international laws. Hor Namhong also stressed the recent release of political and war prisoners in the State of Cambodia; this implemented the peace agreement dealing with human rights signed on 23 Oct in Paris.

Roger Clark expressed his joy with the State of Cambodia's Government for creating all kinds of conditions for his visit and mission, which is a contribution to the political solution to the Cambodian problem.

Sihanouk Urges Japan To Help in Reconstruction

*BK1612103091 Hong Kong AFP in English 0952 GMT
16 Dec 91*

[Text] Jakarta, Dec 16 (AFP)—Prince Norodom Sihanouk in an interview published here Monday, said Cambodia looked to Japan to play a major role in its reconstruction, and held up Thailand as a model for economic development.

"Japan can help us in all areas. Absolutely all," the chairman of Cambodia's Supreme National Council (SNC) told THE INDONESIAN OBSERVER, adding that Cambodia "should imitate Thailand" to achieve rapid economic development.

The SNC was set up under a United Nations peace accord to group the factions of Cambodia's civil war and represent its sovereignty until elections in 1993.

Sihanouk predicted that Cambodia would succeed in doubling its income within five years, if "rich countries such as Japan" helped to rebuild its "shattered economy."

"You will see that in a few years we will be one of the most prosperous countries in ASEAN and in the Third World," he said.

The Association of Southeast Asian Nations (ASEAN) groups Indonesia, Singapore, Brunei, the Philippines, Thailand and Malaysia.

"The Japanese can give us new bridges and repair our damaged roads. In the area of investment Japan can establish their own factories and industries here," the prince said.

"For instance, they could establish bicycle, truck, tractor and bulldozer assembly plants, (supply) equipment to build reservoirs and canals and dig wells... they could also assemble cars here," he said.

Sihanouk said he was not interested in developing Cambodia's information technology industry. "We should simply import such things from Japan," he said. "Furthermore, Japan could establish light industries for Cambodia which are related to our natural resources, such as timber and rubber."

Cambodia must become a "free-enterprise, free-market economy" attracting capital from wealthy nations, Sihanouk said, adding that in addition to joint ventures he hoped for "100 percent investment" from abroad.

"It is far better to let rich countries in and they will pay taxes," he said. "Foreign firms will create more jobs in Cambodia and introduce technology and equip our country."

Sihanouk proposed Thailand as a model for rapid economic development, "because you see the results there. Their people are happy and are enjoying an economic boom with a very high per capita income."

He acknowledged that corruption was a problem in Thailand, but said "we cannot avoid it."

"I am not even against the professional taxi girls in night clubs," he replied when asked whether he feared that foreigners might exploit Cambodians, saying Cambodian girls would still retain their Khmer "mind and spirit."

Sihanouk said he was in favour of including Japanese troops in the U.N. peacekeeping force in Cambodia, so long as Japan amended its post-war law banning its soldiers from being dispatched abroad.

The behaviour of the Japanese occupation forces in Cambodia in the 1940s was "mild," he said, unlike in other Southeast Asian countries.

Receives UNHCR Officials 13 Dec

*BK1712081691 Phnom Penh SPK in English
0412 GMT 17 Dec 91*

[Text] Phnom penh SPK December 17—Prince Norodom Sihanouk received in Phnom Penh on Dec. 13 Mr. Sergio Vieira de Mello, director of Foreign Affairs Board of UNHCR [UN High Commissioner for Refugees] in Geneva.

Prince Sihanouk thanked UNHCR for its assistance to Cambodia and said mine-clearance was the urgent task and needed cooperation from all circles.

The prince suggested UNHCR and other international organizations to send their experts as well as materials to carry out their works in Cambodia as soon as possible.

On the repatriated refugees, the prince said they have the rights to choose the place for resettlement at their will.

He said he wanted to cooperate with the UNHCR for the repatriation of Cambodian refugees and he would visit them at their last points.

For his part, Vieira informed the prince of urgent task for mine-clearance so as to guarantee the safety for refugees repatriation and the search for grounds for them.

French Ambassador Meets High-Level Officials

Visits Heng Samrin

*BK1412101091 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 0430 GMT
14 Dec 91*

[Text] His Excellency Philippe Coste, extraordinary and plenipotentiary ambassador of the Republic of France to Cambodia, paid a courtesy visit to H.E. Heng Samrin, honorary chairman of the Cambodian People's Party Central Committee and chairman of the State of Cambodia's Council of State, at Chamka Mon State Palace on the morning of 13 December.

H.E. Philippe Coste said he was very happy with his mission in Cambodia and considered this a contribution to the reestablishment of the relations of solidarity and friendship between the governments and peoples of France and Cambodia.

H.E. Heng Samrin was very pleased with and warmly welcomed H.E. Philippe Coste as French ambassador to Cambodia. He reaffirmed that he would strive to provide all favorable conditions for making H.E. Philippe Coste's task a success. He thanked the French Government for its drive to enhance a political settlement of the Cambodian problem until a peace accord was signed in Paris on 23 October 1991. He also thanked the French for their humanitarian aid for restoring and developing the Cambodian motherland and improving the people's living conditions.

H.E. Heng Samrin expressed his firm belief that the relations of solidarity and friendship and cooperation between the two countries' governments and peoples will continue to constantly strengthen and expand for the cause of peace, mankind, and social progress.

Calls on Tie Banh

*BK1712040891 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1200 GMT
16 Dec 91*

[Summary] On the afternoon of 13 December, Philippe Coste, French ambassador to Cambodia, along with the newly arrived representative of the military attache of the French Embassy, paid a courtesy call on General Tie Banh, member of the Standing Committee of the Cambodian People's Party Central Committee, vice chairman of the Council of Ministers, and defense minister of the State of Cambodia.

During the cordial talks, Philippe Coste expressed his joy over, and firm belief in, the genuine peace that the Cambodian people will shortly have following the signing of the peace agreement in Paris. The ambassador thought that demining was the immediate task to be carried out. A 200-member team of specialists in demining will be dispatched to Cambodia to provide training in demining operations.

In his reply, General Tie Banh expressed happiness at the French ambassador's mission in Cambodia. He also expressed profound thanks for France's assistance. He pledged to do all he can to create favorable conditions for the success of the French diplomatic mission.

Trade Ministry Hosts Economic Management Seminar

*BK1412062791 Phnom Penh SPK in English
0438 GMT 14 Dec 91*

[Text] Phnom Penh SPK Dec. 14—A seminar on Cambodia's economics from transitional period towards market economy was opened in Phnom Penh Tuesday under the sponsorship of the Ministry of Trade.

The 10-day seminar, organized with the assistance of Cambodia Development Research Institute (CDRI) in cooperation with the Institute of Social Studies in Hague, Holland, was attended by some 30 people from various economic institution in Phnom Penh. The seminar is to hear lecture given by Dr. Volpy Fitzgerald, a specialist from the Institute of Social Studies.

The participants would discuss the theme of economic managing during transitional period towards market economy; financial stabilization; tariffization; privatization; and the amendment of budget, finance, enterprise and trade.

They would also exchange views on the re-management of economic infrastructure, foreign investment and aid.

The seminar was the fourth of its kind opened in the city since Cambodia has reformed its economics to the market economy in 1989, 10 years after it had applied the planning mechanism economies.

Indonesia

Sutrisno Urges Radicals To Return to Society

*BK1412125291 Jakarta Radio Republik Indonesia
Network in Indonesian 1200 GMT 14 Dec 91*

[Text] Armed Forces Chief General Try Sutrisno has urged East Timorese who are involved in the disruption of peace and public order to return to society and assist the government in nation-building alongside the rest of the community. The call was made by the military chief when replying to a question by an East Timorese youth—a member of the East Timor Second Youth [word indistinct] at the Indonesia in Miniature Park this morning—in connection with ABRI's [Indonesian Armed Forces] action during the 12 November Dili incident.

Armed Forces Chief General Try Sutrisno said if members of the peace-disturbance group threaten peace and public order, ABRI and the people will take punitive measures against them in an effort to protect the people.

Meanwhile, replying to questions by newsmen after the military chief concluded his speech, ABRI's Brigadier-General Nurhadi Purwosaputro clarified that 24 criminals were arrested in the Dili incident. The cases of the criminals, which are currently in the concluding stage, will be heard in the Dili, Denpasar, and Jakarta courts.

Minister Urges Alatas To Visit Phnom Penh

*BK1612104291 Jakarta ANTARA in English 1009 GMT
16 Dec 91*

[Text] Phnom Penh, Dec 16 (OANA-ANTARA)—Cambodian leaders have expressed the hope that Foreign Minister Ali Alatas in his capacity as cochairman of the Paris conference would soon visit Phnom Penh so that the Supreme National Council (SNC) could convey gratitude for his feat in bringing peace to the country.

State of Cambodia Foreign Minister Hor Namhong told ANTARA's correspondent in an interview here Monday: "France Foreign Minister Roland Dumas had visited Phnom Penh recently. We hope Mr. Ali Alatas will follow suit."

He stressed that without Indonesian vital participation—by Ali Alatas' diplomatic skill and President Suharto's support—an agreement might not be signed yet at the 23 October Paris conference, attended by all conflicting parties in Cambodia.

"Ever since the first informal meeting on Cambodia in Bogor in 1988 and through many times of organizing such informal meetings, the Indonesian Government, particularly President Suharto and Foreign Minister Ali Alatas had greatly contributed to the efforts of solving the Cambodian conflict," he said.

The former Khmer Rouge regime's ambassador to Cuba noted the Cambodian people would never forget Indonesia's merit in bringing peace to the long-war stricken country.

Indonesia and France acted as cochairmen of the Paris International Conference on Cambodia, bringing together the four Cambodian conflicting factions—respectively under the leadership of Hun Sen (ruling group supported by Vietnam), Khieu Samphan (Khmer Rouge), Son Sann (KPNLF) [Khmer People's National Liberation Front], and a group of Sihanouk's loyalists now headed by Norodom Ranariddh.

A series of negotiations in Jakarta and Paris had resulted in the formation of the Supreme National Council within a framework the United Nations' peace programs in September 1990, headed by Sihanouk.

Last October 23, the four factions finally signed the peace proposal which was firstly introduced by the five UN permanent members (the USA, China, the Soviet Union, France, and Britain) and had already [been] implemented by the United Nations Advance Mission in Cambodia (UNAMIC) since last November 10.

Board To Explore Trade With Soviet Republics*BK1612101691 Jakarta ANTARA in English 0936 GMT 16 Dec 91*

[Text] Jakarta, Dec 16 (OANA-ANTARA)—The Indonesian Chamber of Commerce and Industry (Kadin) will study the possibility of establishing trade relations with the Slavian commonwealth or other states of the Soviet Union following its dissolution, a Kadin official said here Monday.

"In principle, the existing trade agreements with the Soviet Union will not be altered," Kadin Deputy Chairman A.A. Baramuli said.

Speaking during a Kadin working meeting, Baramuli said that what Indonesia and the Soviet Union have agreed in the trade field in the past will continue to be carried out even though the status of that country has changed.

Kadin will continue to increase trade relations with the Soviet Union and other East European countries by exchange of trade missions and visits of officials, he added.

The dissolution of the Soviet Union makes it necessary for the Indonesian business world to open new relations with the Slavian commonwealth which groups Russia, Ukraine, and Belarus or with other states which have declared independence from the Soviet Union such as Latvia, Lithuania, and Estonia.

He said that what has been laid so far would serve as a basis for establishing trade contacts with those countries.

Laos**Press Release Details LPRP Fourth Plenum***BK1612055591 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 16 Dec 91*

[Press release on the outcome of the Fourth Plenary Session of the Lao People's Revolutionary Party Central Committee—LPRP CC—convened in Vientiane from 5 to 15 December 1991; dated 15 December]

[Text] The Fourth Plenary Session of the Fifth LPRP CC was convened from 5 to 15 December 1991 under the chairmanship of LPRP CC Chairman Comrade Kaysone Phomvihane.

Attending the session were Political Bureau members of the LPRP CC, members of the party advisory board, and members and alternate members of the LPRP CC. Invited to attend the session were also secretaries and deputy secretaries of the provincial party committees and heads and deputy heads of a number of services.

The session was conducted with an enhanced sense of its high responsibility and in an atmosphere conducive to the promotion and development of democracy. The

session reviewed critically the party's leadership and guidance in 1991, especially with respect to organizing the implementation of the restructuring line in various fields, following the 5th party congress. The session assessed that the party's lines, plans, and policies conform to the reality in our country and have drawn strong support from the multiethnic people. All this has become an important factor contributing to the promotion of the cause of national defense and national construction and enabling it to be fruitful. The internal situation is secure and political stability remains firm. Peace and public order have been generally guaranteed. Positive changes have occurred in many spheres of socioeconomic work.

The session lauded our farmers-compatriots for further enhancing the tradition of hard work and the spirit of mutual assistance and generosity among our farmers in carrying out production and combatting some severe natural calamities, thereby restricting the losses to the lowest level possible. At the same time, the session also hailed various economic sectors for contributing to the development of business production in accordance with regulations and laws, consequently increasing the volume of domestically-produced goods and considerably stabilizing prices and money.

The session also concentrated efforts on analyzing and identifying some remaining fundamental problems and shortcomings, such as the fact that:

1. The popularization of the party's lines is not closely associated with the organization of their implementations. As a result, they have not yet been profoundly appreciated by our cadres, state employees, and people, nor become the actual strength of the masses.
2. State management work is still inefficient. Coordination among the services at various levels is still unreliable. Negative phenomena have not yet been rectified in a timely fashion.
3. The restructuring of the economic and finance sectors is still plagued with numerous shortcomings. Signs of half-heartedness in changing to the new mechanisms are still prevalent.
4. A number of cadres and party members have not yet endeavored to enhance their exemplary leading role. Worse still, they have even committed acts which have brought disgrace to the party.

After analyzing the causes and drawing lessons from various spheres, the session has adopted the direction for major tasks in 1992 as follows:

1. To further promote the restructuring cause in all spheres in accordance with the principles and guidelines outlined by the congress; to increase the effectiveness of the organizations in our political system; to continue building the structure of the goods economy and to switch to the market mechanisms with state intervention; and to improve economic relations with foreign countries.

2. To step up national defense and public security maintenance work among the entire masses; to be very vigilant regarding designs running counter to the effecting of peaceful change; to securely defend and safeguard our new regime; and to actively pursue the consistent foreign policy of party and state.

3. To pay close attention to the party building and cadre training work in the political, ideological, and organizational aspects; to inspire cadres and party members to maintain integrity knowledge, and capabilities which conform to the demands of work in the new period.

4. All levels and services must actively carry out the work which is oriented toward the grass roots to make the latter firm and strong in all fields.

The session calls on the entire party, Army, and masses to further increase unity and unification; to cherish the spirit of patriotism and their love of the new regime; to further enhance and develop our time-honored sense of mastery; and to actively participate in implementing the lines and policies of party and state for the happiness of our people and for the prosperity and progress of our beloved country.

Vientiane, 15 December 1991

[signed] the LPRP CC.

Sihanouk Allows Use of Kompong Som Port

BK1412143391 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 14 Dec 91

[Text] On his acceptance of Khamphan Simmalavong's credentials as new Lao ambassador to Cambodia and the Supreme National Council [SNC] of Cambodia in early December, SNC Chairman Samdech Norodom Sihanouk had proposed to allow Laos to use the Kompong Som seaport.

During his conversation with the Lao envoy in an atmosphere of profound friendship and intimacy, Samdech Norodom Sihanouk recalled the long history of traditional friendship of the Cambodian and Lao peoples. He hailed and expressed his gratitude to the Lao leaders for their active contributions to peace and national concord in Cambodia and for having strictly respected the independence and sovereignty of the State of Cambodia.

On the same occasion, Samdech Norodom Sihanouk also informed Ambassador Khamphan Simmalavong that he has allowed Laos to use the Cambodian seaport of Kompong Som for the transit of Laotian goods. At present, the landlocked Lao People's Democratic Republic uses Danang and other ports in Vietnam and the Khlong Toei port in Thailand. On behalf of the Lao Government and people, Ambassador Khamphan Simmalavong thanked Samdech Norodom Sihanouk and the SNC for their good intentions.

Laos and Cambodia share a long border and Laos' Highway No. 13 is also linked to Cambodian territory. This will allow Laos to transport its goods through Cambodia.

Recent French Cooperation Projects Reviewed

BK1412055791 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 14 Dec 91

[PASASON feature: "Lao-French Friendly Relations and Cooperation Over the Past Three Years;" date not given]

[Text] Respected listeners, the friendly relations and cooperation between the governments of the Lao People's Democratic Republic [LPDR] and the French Republic over the past three years have considerably developed. Noteworthy is the development attained following the visit to France by His Excellency Kaysone Phomvihan in 1989, during which the two countries reached an agreement on cooperation in many fields. Implementing the agreement, His Excellency Kaysone Phomvihan attended the fifth [as heard] summit meeting of Francophone countries, which was held recently in Paris, France. The development in the friendly relations has served as a new strength bringing about the expansion of cooperation between the two countries in the technical, scientific, and cultural fields over the past three years.

In the recent past, the French Government has annually allocated an increased budget for assistance to Laos. Over the past three years, the amount of French financial aid to Laos has shown an eight-fold increase—from 2.5 million francs to 17.4 million francs. The French-aided budget has been used to improve the polytechnic institute, the cadre management school, and the French language training course, as well as to install the [name indistinct] television relay station which allows Lao television to receive French television programs via satellite for 14 hours per day. In the economic field, the two countries have reached an agreement on financial cooperation worth 13.8 million francs for 1990.

In the field of telecommunications, development has also been achieved in carrying out French cooperation and assistance projects based on the memorandum on the cooperation and assistance signed between the governments of the two countries. Noteworthy is the installation of a telex center and communications link system connecting Vientiane and Paksan, which was officially inaugurated on 28 November. The project includes setting up microwave lines, considered a modern long-distance communications system, linking Vientiane and Paksan. This system is capable of using as many as 482 telephones and costs 4.8 million francs. As for the telex project installed in Vientiane, it is a modern, computerized communications center which can automatically handle both incoming and outgoing communications. This project costs 9.11 million francs.

The completion of the two projects is seen to be very significant to the socioeconomic development work in Laos, in particular to the LPDR's telecommunications network. It has also contributed to raising the level of economic development work in Laos. It is considered an initial step toward using a new, modern technology and constitutes the beginning of using a new and better communications service.

The success in implementing the said projects has created ever more favorable conditions for intraregional as well as international communications.

The successful visit to Laos by French Foreign Minister Roland Dumas on 26 November has brought about favorable conditions and new strength for the further promotion and development of the relations and cooperation between the LPDR and France in the years to come.

Philippines

Aquino Reiterates Withdrawal Agreement Deadline

HK1712012891 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 16 Dec 91

[Text] President Corazon Aquino is set to ask the United States to remove its forces from the Philippines in 1992 if no agreement is signed before 31 December on the three-year withdrawal period. The president issued the statement in reaction to Executive Secretary Franklin Drilon's assessment that the Republic of the Philippines-U.S. talks for the three-year withdrawal period have failed. The president has instructed Drilon to be ready to serve a one-year notice of withdrawal to the United States in the event no executive agreement for the three-year phaseout period is reached. According to Mrs. Aquino, she has ordered Drilon to do his best to formulate a three-year withdrawal agreement, but if none is reached on or before the deadline, the one-year notice of termination will be served, based on the terms of the Ramos-Rusk Agreement. Mrs. Aquino remains hopeful that, despite disagreement on some vital issues, the two countries will come to an agreement to sign the three-year pullout arrangement for Subic Naval Base.

Earlier, Drilon said hopes of forging an agreement had dimmed due to disagreement over three issues: The unhampered use of the facilities, a nuclear weapons ban, and a definite withdrawal timeframe.

Aquino Thanks Indonesia, Notes Lithuanian Ties

HK1712072291 Quezon City Radyo ng Bayan in Tagalog 0230 GMT 17 Dec 91

[By Tanny Rodriguez from "Malacanang Information Service," Kalayaan Studios, Malacanang, Manila—in English]

[Text] President Aquino expressed gratitude to the Indonesian Government after it officially announced its

donation of \$50,000 to the country, representing humanitarian aid to help alleviate the suffering of the people on the island of Leyte, which was affected by the natural calamity of typhoon Uring. The \$50,000 check was handed over by (L.B. Moerdani), minister of foreign affairs ad interim, on behalf of the Indonesian Government to Oscar Valenzuela, the Philippine ambassador in Jakarta, on behalf of the Philippine Government.

The ceremony took place at the Pankasila Building, Department of Foreign Affairs, in Jakarta recently. During the ceremony, Mr. (Moerdani) said that even though Indonesia was recently affected by the eruption of Mt. Lokon in North Sulawesi, which brought about serious damages and losses, the Indonesian Government deemed it necessary to extend humanitarian aid in response to the appeal for assistance of the Philippines.

President Aquino today announced that the Philippines and Lithuania have already signed a joint communique in New York stating that the two countries have decided to establish diplomatic relations at ambassadorial level as of 15 December of this year.

Lithuanian Deputy Foreign Minister (Jedeminas Serksnys) signed for his government while Ambassador Sedfrey Ordonez, permanent representative to the United Nations, signed for the Philippines. The communique added that the two governments have agreed to appoint non-resident ambassadors as their respective representatives at a future time convenient to both countries. The simple Sunday noon ceremony was held at the offices of the Philippines mission to the UN in New York. Other than Deputy Foreign Minister (Serksnys) and Ambassador Ordonez, the ceremony was attended by Ambassador Manuel Mendez, first deputy permanent representative and Minister Counsellor Cynthia Guevarra, second deputy permanent representative, both of the Philippines; and Councillor (Inte Damusis) of Lithuania.

It will be recalled that Lithuania was one of the seven countries admitted as a new member of the United Nations when the 46th session of the UN General Assembly opened here last September.

Aquino To Declare Election Endorsement 6 Jan 92

HK1612112491 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 16 Dec 91

[Text] President Aquino will be making an earlier announcement on who she will support as her candidate in the coming presidential election. It was reported that the president will make her announcement on 6 January instead of 25 January 1992.

Party Offers Honasan Vice Presidency Ticket

HK1612121691 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 16 Dec 91

[Text] Renegade Colonel Gregorio Gringo Honasan may run for vice president if he accepts the Filipino Democratic Party-Nation's Strength [PDP-Laban] offer to run

in the coming elections. According to Colonel Billy Bibit of the Reform the Armed Forces Movement-Soldiers of the Filipino People-Young Officers Union, he and Senator Aquilino Pimentel Jr. (PDP-Laban), have talked with Honasan and they offered him the vice presidency slot. The officers of the RAM-SFP-YOU welcomed the offer because it seems that the positions being offered Honasan in the coming elections are getting higher and higher.

Senator Joseph Estrada initially offered Honasan a chance run for senator under his Party of the Filipino Masses if he surrendered. Pimentel has not yet received a response from Honasan on his offer to have as his running mate the the country's most wanted rebel soldier.

Meanwhile, former legislator Homobono Adaza said that Honasan may run in the coming election since he has not been convicted for rebellion.

Aside from Honasan, Colonel Alexander Noble may also run for governor of Bukidnon Province and Brigadier General Marcelo Blando also plans to run for governor or congressman in Isabel Province, both under the PDP-Laban banner. Another detained rebel soldier who plans to run for office, in the Bicol region, is Captain Leogic Leoneda.

Senate Begins 'Urgent' Five-Day Special Session

Removal of Salonga Ratified

HK1712042091 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 16 Dec 91

[Text] The Senate approved a resolution last night ratifying the removal of Senator Jovito Salonga as Senate president. It set aside discussions on seven proposed bills certified as urgent by President Aquino. The ratification of the resolution was the Senate's only accomplishment on the first day of a five-day special session called by the president. Senate President Neptali Gonzales presided at the start of the special session, but after the new senate majority was assured that its action of 12 December was valid, Gonzales turned the chair over to Salonga for a peaceful, orderly, and happy transition of the leadership. The senators spent time discussing Resolution 1327, which ratified and validated the appointment of Gonzales as the new senate president.

Salonga To Preside Until 1 Jan 92

HK1612151791 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 1200 GMT 16 Dec 91

[Text] Senate President Jovito Salonga was the one who presided over the opening of the five-day special session of Congress and not Senator Neptali Gonzales after both agreed that Gonzales will preside over the Senate on 1 January 1992.

'Wrangling' Dominates Session

HK1712042191 Manila THE CHRONICLE in English 17 Dec 91 pp 1, 7

[By Johanna Son]

[Text] Feuding senators managed to convene yesterday's special session, but not without angry and acrimonious barbs that sharply split the Senate and put the fate of the Palace-certified revenue bills up in the air.

All four hours of session, the first in a week-long special session, were devoted to alternative wrangling and efforts to settle the leadership issue in the Senate.

As a consequence, floor debates are expected to begin only today on any of the seven measures that President Aquino had asked Congress to pass, including four revenue bills.

Aiming to settle the leadership tussle before discussing legislation, the chamber presided over by outgoing Senate President Jovito Salonga adopted, by a 17-2 vote, a resolution that affirmed the:

- Ratification by the anti-Salonga senators on Thursday of the final version of the 1992 budget bill, and the measure on a simplified Net Income Tax System (SNITS).
- Election of Sen. Neptali Gonzales as Senate president, except that he will assume his post on Jan. 1.

Senators John Osmena and Juan Ponce Enrile voted against, while Senators Sotero Laurel and Teofisto Guingona abstained. "I can yield with grace," Salonga said as session adjourned at 8:45 [1245 gmt] p.m.

The move showed formal acceptance by the majority of the chamber of Gonzales' leadership, following the assertion of his coalition of its numbers in parliamentary practice.

The resolution was adopted pursuant to compromise accord reached by Salonga and Gonzales Friday evening, though the actual wording of the measure took two hours to be worked out with Salonga.

Enrile objected to the resolution, imperiling the Salonga-Gonzales peace accord, and said it was a ratification of an "illegal" session and a "falsification of the facts," and that he was not even invited to Thursday's session.

Tempers flared as both blocs complained about each side's actions, preventing the 21 senators yesterday from taking up any of the bills calendared for this week's session.

The passage of the bills may also be hampered by plans of Salonga's bloc to ask questions or block the measures, and by plain lack of time given the tight schedule for this week's special session.

Salonga, who will formally be part of the opposition when Gonzales assumes the Presidency on January 1st, said he "would oppose what should be opposed... not all."

"I've always been in favor of shifting the burden of taxation from the poor," Salonga said.

Before Salonga opened the special session at 5:50 p.m., Gonzales opened a separate session at 4:30 p.m. in order to reconsider the results of Thursday's election of Gonzales and to move his assumption for Jan. 1.

Trying to heal wounds created by last week's furor, Gonzales created a three-man committee to "fetch" Salonga from his office so that he could preside over the special session.

Gonzales asked his bloc to allow a "peaceful, orderly and graceful transition" so that the "Impasse" over the chamber's leadership would be short-lived.

Salonga got a 15-second standing ovation as he ascended the podium. The anti-Salonga senators, however, remained seated.

There were other irritants that reopened resentments on the part of the two camps. For one, Gonzales' block complained why Salonga opened—not just resumed—the special session when Gonzales already convened it at 4:30 p.m.

During a one-hour suspension sparked by Enrile's protest, Sen. John Osmena blew his top, waved his finger at Salonga and yelled: "Ayoko ng nagsisinun-galing. Walanghiya ka." [I do not want us to lie to each other.] Gonzales approached him and calmed him down.

"That was obviously to negate the earlier, (Gonzales) session and make us look like fools again," Osmena said to Salonga, who was presiding. Salonga called Osmena's remark "unparliamentary" and false.

Because of Osmena's tirade, Enrile said he would no longer press his objection to the resolution in order to "save the Senate President (Salonga) from embarrassment" and protested the use of unsavory words by Osmena.

Members of Salonga's bloc said they would raise questions or object to the revenue bills.

"I will oppose the tax bills. I'd rather obstruct the government than have people pay taxes that will only be wasted," said Enrile, who said he would willingly yield the leadership of the minority to Salonga.

"I will ask questions," Sen. Rene Saguisag vowed.

Sen. Edgardo Angara, conceded that "suwerte na kung makadalawang bills kami his week." [We would be lucky to pass two bills this week] He said the bills most likely to be passed are the base-lands conversion authority and the measure extending the life of the Asset Privatization Trust. [APT]

President Aquino had also asked Congress to pass the Consumer Code and four revenue bills: the restructuring of donors' and estate taxes; refinements in the Value-Added Tax System; the final tax on income and the creation of a large taxpayers' unit.

The four bills have been reported out of committee, but have yet to be sponsored on the floor on second reading.

The base conversion authority and the Consumer's Code have been debated for some time and are close to second-reading approval. The APT bill is already in conference committee and is due to be ratified this week.

After the reorganization, Saguisag quit his chairmanships of the committees on ethics and of the ad hoc committee on the Philippine nuclear plant. Sen. Vicente Paterno will most likely chair the ethics committee.

Senate President Pro Tempore Sotero Laurel issued an emotional appeal for his colleagues to maintain "a coalition of God or country, though the coalition of Cory Aquino" has ended.

Sen. Ernesto Maceda said the passage of the resolution ratifying Thursday's session was the best solution under the painful circumstances. Sen. Vicente Paterno lamented that the present Senate did not measure up to the standards of the past legislature when changing leadership.

Military Releases Rebel Ex-Lt Col Bibit

*HK1612120491 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 16 Dec*

[By Rodney Jaleco, DZRH Unit 1]

[Text] Former Philippine Constabulary Lieutenant Colonel Billy Bibit was released this morning from the National Capital Region [NCR] Defense Command Custodial Center in Camp Aguinaldo. Bibit was earlier allowed bail by the Quezon City Regional Trial Court but was blocked by Defense Secretary Renato de Villa and General Lisandro Abadia, chief of staff of the Armed Forces of the Philippines, who sought an increase in Bibit's bail to 1.5 million pesos fearing that the rebel soldier might disappear.

According to some Camp Aguinaldo military officials, they were surprised to hear of the sudden release of Colonel Bibit, who was involved in the failed December 1989 coup attempt in which he led the takeover of the Customs Bureau and Manila's container port. Bibit was transferred to the Camp Aguinaldo stockade after he was arrested for the second time after rebel commandos helped him escape from the Manila City Jail last year. According to some former guards of Bibit in the NCR Custodial Center, it was a great relief to know of his release because it was so difficult to guard the likes of Bibit.

First Regional Command 2 Chief Named

*HK1612021391 Manila DZXL Radio Mindanao
Network in Tagalog 0700 GMT 14 Dec 91*

[Text] The new Philippine National Police Capital Regional Command 2 [PNP-Capcom 2] will come into effect next year. It is learned that PNP chief Vicente Vinarau, who is currently the head of the PNP-Criminal Investigation Service Command [CIS], will be the first commander of Capcom 2. As chief of Capcom 2, or Capcom North, Vinarau will be in charge of the Central Police District, including the Quezon City and Northern Police Districts which are in charge of the Caloocan, Malabon, Valenzuela, and Navotas areas.

Vinarau will be replaced as CIS chief by Senior Superintendent Andres Superable, currently deputy commander for operations in PNP Regional Command 3.

Meanwhile, Capcom South will still be under Major General Marino Filart, with jurisdiction over the Southern, Northern [as heard], and Eastern Districts.

Security Increased Amid NPA Terrorist Threat

*HK1712090891 Manila DZXL Radio Mindanao
Network in Tagalog 0700 GMT 17 Dec 91*

[By Rene Sta. Cruz of DZXL Unit 15]

[Text] Cesar P. Nazareno, Philippine National Police [PNP] director general, today ordered all PNP commanders in Metro Manila and nearby provinces to take necessary precautions and increase security measures following threats by Communist Party of the Philippines-New People's Army [CPP-NPA] rebels to launch terrorist activities against top PNP and Armed Forces officials and attack important government installations this holiday season.

DZXL learned this from an intelligence report submitted by PNP agents confirming that the CPP-NPA leadership has indeed ordered its partisan units to launch offensives and destabilizing activities. The report said that this operation was code named Operation Plan Christmas Present. A document seized by the PNP intelligence team reveals that the operation was launched in November and will last until January next year. The report also said that the rebels' move is in line with their anniversary celebration on 21 December [as heard]. It is recalled that they launched killings and ambushes of top government, military, and police officials during their previous anniversaries. They also bombed several vital government installations.

However, Nazareno belittled this threat but stressed that the police should be prepared to contain the threat. The offensive, termed Operation Plan Christmas Present, is allegedly the highlight of the rebels' anniversary celebration this month.

Abadia, Commanders on Military, Defense Issues

*HK1312140191 Quezon City GMA 7 Radio-Television
Arts Network in English 1445 GMT 11 Dec 91*

[Interview with General Lisandro Abadia, Armed Forces of the Philippines chief of staff; Brigadier General Ernesto Calupi, Northern Command chief; Major General Gumarsendo Yap, Southern Command chief; and Brigadier General Romeo Zulueta, Visayas Command chief; by host Louie Beltran on "Straight From the Shoulder" program—live; italicized passages in Tagalog]

[Excerpts] [passage omitted] [Beltran] The only thing that's written about the Armed Forces these days, is the fact that you need \$7 billion to modernize it. That's according to the newspapers.

[Abadia] That's correct. But that over a 10-year period.

[Beltran] Over a 10-year period. Why are you modernizing? I think this is what a lot of people would probably want to ask you. Why are you modernizing if the New People's Army [NPA] is going to go away already?

[Abadia] Well, we are looking into the era that we will go from internal defense to external defense. At least, we will be able to protect our fishing grounds.

[Beltran] And I think we have an external problem in the Spratly Islands. At least, a growing problem.

[Abadia] Yes, a growing problem. It's going to be a flash point, if you will. And then of course, the withdrawal of the U.S. from the Philippines, the demise of Clark, and maybe in three years from now, Subic will be out, I mean the U.S. would be out from Subic. So therefore, we must also develop our own air defense capability. We cannot anymore rely or depend on the U.S. air force umbrella.

[Beltran] Okay, you know a lot of people during the controversy over the treaty heard your brother, General Loven Abadia, say that without the support from the U.S. government, the Philippine Air Force [PAF] would stop flying inside of one year. There is no such support forthcoming. I presume. What can you do about it?

[Abadia] No, yes, [as heard] it's partly correct in the sense that the money in 1991 will still spill over two years from now. So therefore, in the budget of 1992, we must therefore provide for the money that we lost from the bases compensation package.

[Beltran] Okay, a lot of people probably don't realize that we were depending on U.S. Air Force radar, U.S. Naval patrolling or protection. Now, we'll have to do that ourselves.

[Abadia] Yes.

[Beltran] So that's why you're thinking in terms of \$7 billion.

[Abadia] That's correct. [passage omitted]

[Beltran] How much politics has entered the Armed Forces?

[Abadia] Well, as far as the top leadership now is concerned, none.

[Beltran] You don't think you are politically influenced. You know in the old days, I remember that to be a general you have to kiss a lot of.... [changes thought] Okay, systems or whatever, starting from when you are a provincial commander to when you become a division commander, and there all the way. Are you saying that the promotion and merit system is now in place?

[Abadia] Yes, you're correct. We went up on the basis of our own merits. I mean, a case in point is myself. I never approached any politician. I'm surprised myself why I am now chief of staff. [passage omitted]

[Beltran] Okay, when you say Armed Forces, a lot of people are there saying coup d'etat, Operation Noel—operation no election. You've said time and again, over and over, and then you said the same, there's no possibility, there's no way. Let me ask you, is it easier now given all the knowledge that you've acquired from the last coups? Have you put systems in place which should make it more difficult to launch a coup d'etat? Like, in the past few coups d'etat, one thing I think I notice was the officers in command would sometimes tell their men: *We have a military exercise, come with me.* Or we're going to reinforce a [word indistinct], *come with me.* There seem to be no system of check and balance at that point where suddenly they found themselves in Metro Manila. Has a system been set up to make this difficult?

[Abadia] Yes. We have a system now of checking, and then of course, our young officers and enlisted men have been... [changes thought] have had that bad experience of disinformation. So now the soldiers and the young officers are very wary about, you know, being suddenly moved from one place to another.

[Beltran] So there is such a system. They cannot move all battalions.

[Abadia] And now, any sizeable movement will have to be cleared by higher headquarters. [passage omitted]

[Beltran] One of the major problems of peace and order is in Mindanao. Where I... [changes thought] I think, I don't know if it's really true, that they invented the .45 calibre pistol because of the Muslim campaigns. But you're in charge of it now. You have the Mindanao Independence [as heard] Liberation Front. I think MNLF. You have the Mindanao National Liberation Front. I don't know what kind of other front. It seems to be an endless thing. What is the situation there now, General Yap?

[Yap] You know in Mindanao, it's an interesting place to be assigned for a senior commander because we have a number of different kinds of—you may say—forces to contend with.

[Beltran, interrupting] And sometimes they fight among themselves.

[Yap] I mean, they fight among themselves. So, we have there, actually, two faction of the MNLF. *There are two of them. There is one under the Salamat faction, the MILF or Moro Islamic....*

[Beltran, interrupting] *Jasim Salamat, is it not?*

[Yap] Jasim Salamat. And the MNLF, under Misuari. Of course, by strength, *Misuari's group is much bigger, around 8,000 plus. While Jasim Salamat's group is around 4,000. A total of around 12,000.*

At the moment, they are not so active. Mainly because they do not have the support, I think, from the outside. And I think they're waiting for the effect of this autonomous region in Muslim Mindanao. I understand that they only released their budget for their infrastructure, P [Philippine pesos] 615 million. And I really hope that the solution to our Muslim problem is the effectiveness of our arm under governor Candao. If the autonomous region, as a government set-up turns out well, I think we can solve the Muslim problems.

[Beltran] You are saying, militarily, you have no more problems?

[Yap] Well, militarily, *we are just watching them. We are monitoring them. We are trying to just watch over them so that they will not expand too much. But in terms of combat, we do not have that many encounters. We have, of course, what we call the lost commands that give us problems once in a while. But these are not major engagements. And....*

[Beltran, interrupting] *But you said that a political solution would give a permanent solution.*

[Yap] I think so. A political solution will give a more permanent solution to our problem in Mindanao—in the Muslim area. And I think we are doing quite well. The government's doing quite well.

[Beltran] *A lot of people would be surprised with your approach because you're saying that militarily, you have your own role while the politicians or the political system can provide the permanent solution. So, I only have one question. We here in Luzon get the impression that the MNLF can move around freely as much as they want. They can kidnap Chinese businessmen, they can do anything they like. How true is this?*

[Yap] *You have to understand, we cannot really do that much. Sometimes its just over-publized. But in Cotabato, we have a kidnapping problem, and that's a group that goes on kidnapping. But they have not kidnapped anybody of value for the past seven months already. They haven't anymore. And we are going after this kidnap group. But since it is in the Muslim area, we are having a difficult time running after it because it is a big place, it is not very populated, and we do not have enough intelligence men who can run after them. But anyway, the city*

is well guarded. So they cannot just come in easily. That's why we were able to prevent kidnapping in the Cotabato area. The other MNLF are not really moving freely. In fact, most of them are now undergoing pronouncements [as heard]. Which is, I think, a welcome sign that they should just talk so that....

[Beltran] *Just like in a parliamentary struggle.*

[Yap] *So that it would turn out to be a parliamentary struggle. We welcome really their announcements that they want more autonomy and all this, because it shows signs that they might go to parliamentary struggle and we could solve this problem through a peace negotiation.*

[Beltran] *You are saying that they've stopped their activity because they don't get any support from outside. Do you mean the indigenous communities there do not even support them?*

[Yap] *They have a taxation job, but it cannot sustain a war. You know, it's very expensive to wage war. Take for example: if there exist a conflict among themselves, they were fighting for around one week and we were monitoring them....*

[Beltran, interrupting] *You were just watching them while they were warring with each other?*

[Yap] *We were just looking on. They were fighting among themselves. The MNLF and the MILF were fighting for around one week. And I understand that one side spent around P 2.5 million worth of ammunition. So they had to pull back. They had to relax for a while.*

[Beltran] *They had to collect some money first?*

[Yap] *Yes, I think they had to collect some money first. But that's how expensive it is. As of now, they are really on standstill. And I think they are more working for recognition with the Organization of Islamic Conference [OIC], which is actually undergoing now in Senegal. And I think they might be in again for a rough time because I think the government, our government, has really put up a good political structure there to serve our Muslim brothers in the area.*

[Beltran] *Okay, General Zulueta, up north, there is a lot of NPA activity up north. At least from the reading the newspapers. And then, you know we.... [changes thought] You are not in the North; you are in the Visayas command. The chicks' area, in particular. You're in-charge of chicks [apparently a joke; this area has both produced many Philippine beauty queens and recently become a center of chicken production]. [laughter] The chicks do not refer to women, rather it is that area in Negros that is heavy infiltrated. There was a point when very few people could even go into that region. It is as if they have their own government. But now it is all quiet? Why?*

[Zulueta] *Well, partly, I would credit the Oplan Lambat-Bitag [Net Trap] of the Armed Forces, plus the excellent cooperation between the military and the civilian. This*

includes the local civilian officials and the non-government organizations, and the people themselves.

[Beltran, interrupting] *May I ask you a naughty question, did the change in the clergy of the area help?*

[Zulueta] *Well, actually Bishop Fortich, to me, is a good priest.*

[Beltran] *I did not mention his name. You did.*

[Zulueta] *Yes. He is being helpful now.*

[Beltran] *And you have a new bishop there too, I think.*

[Zulueta] *Yeh, Bishop Gregorio. There was a change because Fortich already retired—he reached already the age of 70. But surprisingly Bishop Fortich is helping also.*

[Beltran] *So there is no more of the denunciation. Before, the Church there has always lambasted the Armed Forces. Are there still instances like this?*

[Zulueta] *There still are; however, they are already isolated, and they lost their credibility. [passage omitted]*

[Beltran] *General Abadia, does the.... [changes thought] The military, generally, does its job very well. It has a certain objective; it takes it; and then afterwards, you have to leave, then the NPA comes back.*

[Abadia] *No, I think that's not true anymore because before we leave we have to put up the holding posts. That's why the CAFGU [Citizen's Armed Forces Geographic Unit] is very important. If you will recall what we did in Vietnam; we searched and destroyed. From the base camp, we go around, and then come back to the base camp. And then the Vietnamese go back to where we came from. But not anymore. In our methodology, when we clear the area, meaning that we have destroyed the armed group and dismantled the political structure, then we put in a holding post. That's why the CAFGU is very important. Without the CAFGU, then the NPA can go back.*

[Beltran] *Does the NPA still operate in the classic way—they send in [word indistinct] propaganda groups, then they send in a consolidation group, and then they bring in their Armed Forces to....*

[Abadia, interrupting] *That's correct. But we are also doing the reverse.*

[Beltran] *So you are doing the same thing now? You bring in the Armed Forces and then you give them civic action. [passage omitted] We have a lot of calls. I think I'll start reading some before I get scolded afterwards. Louie Gagarin of Tawi-Tawi: General Abadia, we would like to request you to put a military installation on Sebutu Island in the Tawi-Tawi province because Malaysian helicopter gun ships are frequently flying over the air space of the island. And these are mistaken by the natives of the islands as Philippine helicopter gun ships.*

Do they do that? Do they violate our air space?

[Abadia] Well, we have not received officially the report, so we're not prepared to answer that. But I have received some kind of request to put up a detachment there in Sebutu.

[Beltran] Are you going to?

[Abadia] Well, we're studying the problem. [passage omitted]

Thailand

Prime Minister Answers Questions While in U.S.

Notes Responsibilities of Thai Government

*BK1712042191 Bangkok BANGKOK POST in English
17 Dec 91 p 3*

[By Phonphimon Kanchanalak in Washington, DC]

[Excerpt] Prime Minister Anan Panyarachun says there are at least four basic responsibilities that the next government must assume. These are to listen to the will of the people and to improve the quality of politicians, state bureaucrats and public morality.

He urges people to vote for policies, not individuals, in the general election scheduled for the third week of March.

Mr Anan was responding to questions from members of the Thai community in Washington on Sunday at the Willard Hotel where the Prime Minister and his party are staying.

Mr Anan stressed the need to understand the two basic principles of democracy: respect for the rule of democracy not only in letter but more importantly in spirit; and respect for what he called the "social contract" between the people and their government once they make their choice.

"You as an individual may hold a different opinion from the politicians or parties. But once you elect them to execute the affairs of the country, they become your representatives and they are your voice. Everyone must learn to respect that rule of the game.

"The essence of democracy is compromise. Nobody is going to get 100 percent of what they want or look for. If people do not learn to compromise under the rules and out of respect for the 'contract' they form, there can be no democracy."

"There is a saying: people get the government they deserve."

The Prime Minister said his premiership and the Government he assembled was the result of a "political accident." But while he could not change the course of preceding events, he and his Cabinet have tried their best to ensure the highest degree of transparency and accountability in the Government.

He emphasised that during his Government's 10 months in office he and the National Peace-keeping Council have played by the rules they agreed on at the outset.

Mr Anan said he would pursue the idea of setting up a monitoring body for the election. He wants members of this body, which may comprise mostly academics and non-governmental organisations, to be honest, non-partisan individuals.

Vote-buying exists everywhere in the world, even in Japan or the United States, and it is not true that only the poor in rural areas sell their votes, he said, adding that vote-buying can come in various forms at any level. [passage omitted]

Discusses Intellectual Property Rights

*BK1712030391 Bangkok THE NATION in English
17 Dec 91 PP B1, B2*

[By Thauong Khanthong in Washington, DC]

[Text] Prime Minister Anan Panyarachun expects his talks with US President George Bush today on bilateral trade relations to conclude on a positive note.

However, Anan said he has no specific solutions to the question of protection of intellectual property rights.

Anan told a Thai audience of more than 100 at the Willard Hotel shortly after arrival from New York on Saturday that copyrights should not be a problem in bilateral trade relations, given Thailand's present enforcement of the law.

He was quick to add that he could not be certain about the final outcome of the intellectual property rights issue, which is now in the hands of the National Legislative Assembly (NLA) and beyond his control.

One of the main features of intellectual property rights is patent protection. The Commerce Ministry recently submitted an amendment to the 1979 Patent Act to the NLA for debate, and providing patent protection for pharmaceuticals is one of the crucial aims.

Thailand has come under strong pressure from the United States in recent years to strengthen copyright enforcement and protect US intellectual property rights, or else face possible trade retaliation under Section 301 of the US trade law.

"It is quite a complete draft amendment, although some of the sections are not what the US wants. Yet we have to show that we can respond to US needs, that we are sympathetic to the US, although this will be done in line with the Gatt (General Agreement on Tariffs and Trade)," Anan said.

He said that trying to respond to US needs in this regard does not mean Thailand is afraid of the Americans, who are also making similar requests of the European Community and Japan.

Anan said intellectual property rights are a legitimate issue that must be dealt with by the international community and that Thailand needs to adjust accordingly, befitting the country's export-led economy in a world of growing interdependence. In spite of the sluggish global economy, Thai exports will grow about 22 per cent this year, he said.

The Anan administration, however, has also come under political pressure at home not to yield to the US. The prime minister's trip to the US comes before the US Trade Representative (USTR) is to announce on Dec 21 a decision on whether it will retaliate against Thailand, after a thorough review of Thai efforts to strengthen copyright enforcement to protect US industries against pirating.

Most Thai officials and members of the delegation agreed that previous efforts to enforce copyright protection in Thailand should be adequate in swaying the USTR to decide in the Thais' favour.

"We think that the outcome should be positive because we have done a great deal on our part. Particularly, with the visit by the prime minister, we all hope that the outlook (for bilateral trade relations) will improve," said a Thai Embassy official.

Thai local officials have been moving to strengthen copyright enforcement by making several arrests and bringing the cases to court for trial.

However, no court has handed down a final verdict on a case of copyright infringement that might give the US the impression that Thailand is serious with regard to copyright protection.

Thailand will still have another Section 301 threat to clear in March 1992, when the USTR will decide whether Thailand is providing adequate patent protection for US pharmaceutical products. On this front, both sides still differ on some technical points, including compulsory licensing.

Anan is expected to tell Bush that his administration has been attempting to strengthen protection measures for intellectual property rights by introducing an amendment to the 1979 Patent Act, whose final make-up remains for the NLA to decide.

On the other hand, Anan will stress that Thailand plans to abide strictly by resolutions of the General Agreement on Tariffs and Trade if the five-year Uruguay Round of global trade talks, held under Gatt auspices, is successfully concluded.

Anan, accompanied by a small delegation comprising his two daughters, Foreign Minister Asa Sarasin, Sathaphon Kawitanon, the Prime Minister's secretary, and Sarot Chawanawirat, director-general of the Political Department, is on a nine-day visit to the United States following a successful four-day trip to Japan.

The prime minister's principal objectives are to bolster U.S. confidence in the economic and political policies of Thailand, improve bilateral trade relations, and talk with U.S. executives, journalists, academics and President Bush about the international outlook, particularly in the Far East.

Anan's visit to the U.S. also stems from his personal interest in the country, where he once lived for 12 years serving alternately as Thai ambassador in Washington, DC and Thai Ambassador to the United Nations in New York.

He said his administration's attempt to respond to the U.S. request on trade matters is aimed at creating long-term benefits for both countries, as well as other exporting countries looking for closer trade relations with the United States.

Thailand must exercise tact in any trade talks with the United States as that country is caught in the grip of a deepening recession and witnessing rising protectionism.

The United States is also charging Japan and China with engaging in unfair trade practices against its industries but has found it difficult to deal effectively with the two superpowers in their own fashion.

Due to its relative small size, Thailand is not in a position to bargain effectively with the United States. On an earlier occasion, a senior Thai official told THE NATION that if Thailand (which enjoys more than a US\$1 billion trade surplus with America) does not handle trade issues carefully, it might become a "whipping boy" for U.S. frustration at its inability to resolve trade deficits with other major trading partners.

"By that time we will be sorry, but it will be too late," the official said.

During his candid, one-and-a-half hour discussion with more than 100 Thais in the U.S. capital, Anan recounted his experiences with the American people and his admiration for the country.

"The American people are good people. They have been doing good deeds for the world without expecting returns. In the past, the United States might have pursued policies that run counter to its real character, but in fact the people of this country have goodwill for the world," he said.

"At times the United States might institute policies that are not in accordance with the rest of the world, but we can say that it has opened its door wide to imports, particularly from Asia. While the U.S. economy was good, it did not mind. But now that the economy is not good, we have to understand."

Anan and Bush are expected to discuss political developments in Thailand, with democracy set to return following approval of the new constitution and an agreement to hold the general election in March 1992. Although the U.S. administration is not comfortable

dealing with non-elected governments, the Anan administration appears to be an exception due to its fundamental reforms to liberalize the economy and the domestic system in the past 10 months.

However, Anan's meeting with Bush is a private working meeting, essentially made possible by the fact that they knew each other when they served as their countries' ambassadors to the United Nations in the early 1970s. In this respect, the Anan-Bush meeting will have a friendly tone beyond state affairs.

The two leaders will also discuss the prospect of turning Kampuchea into a peaceful country by supporting the Supreme National Council, a body formed by representatives of the four rival Kampuchean factions, and ensuring fair elections. They will also look into helping the war-torn country reconstruct its economy from scratch.

On Monday, the prime minister will attend a luncheon at the National Press Club, but it is not certain what subjects he will discuss. Anan has the capability to deliver effective, impromptu speeches. On a couple of occasions in Japan, he went his own way in addresses.

Suchinda on Relinquishing Military Posts

*BK1712031791 Bangkok THE NATION in English
17 Dec 91 p A3*

[Text] Military chief Gen Suchinda Khraprayun said yesterday he intended to relinquish either the position of supreme commander or army commander in chief, probably in the Defence Ministry's reshuffle next year.

Gen Suchinda was responding to speculation that he would step down from one of the two key military posts in the military reshuffle due in April.

"It is still not definite. But it is my intention that I should keep only one position," Suchinda said. "But I have never promised when that would take place."

Suchinda, a leader of the National Peacekeeping Council (NPKC) that toppled the civilian administration of Chatchai Chunhawan in a bloodless coup in February, will reach the mandatory retirement age of 60 in September 1993.

He reiterated that the military would wash its hands of politics and return to barracks once the general election is held early next year.

Asked about the military's preparation to detach itself from national politics, the general said: "Why should we make any preparations? We don't need that. The NPKC is like a vehicle operating on highly-volatile petrol that can be ignited very easily (meaning it is very responsive to change)."

Industry Minister on Oil Ventures in Cambodia

*BK1612135491 Bangkok Radio Thailand Network
in Thai 1200 GMT 16 Dec 91*

[Text] Industry Minister Sippanon Ketuthat received representatives of the Cambodian Government this afternoon. After the meeting, he told reporters that they discussed whether or not Thailand was ready to enter into joint ventures on natural gas and oil exploration and drilling in Cambodia. He explained to the Cambodian Government delegation that Thailand was at the initial stage of readiness to buy natural gas and crude oil from Cambodia.

Regarding whether or not Thailand will enter into joint ventures on oil exploration and drilling, he said that we should first let the Petroleum Authority of Thailand [PAT] and the PAT Oil Exploration and Production Company conduct a feasibility study and a study on the break-even point in the investment as well as the shareholding percentage of each side.

Commerce Official on Rise in 1992 Export Target

*BK1512071391 Bangkok Radio Thailand Network
in Thai 0000 GMT 15 Dec 91*

[Text] The Commerce Ministry has set the country's total export target for next year at 860,000 million baht, representing an increase of 20 percent from this year's figure, disclosed Deputy Commerce Minister M.R. Pridiyathon Thewakun.

Pridiyathon reported that this year's total export value is higher than the estimate figure. This year's total export value is expected to reach 715,000 million baht, which is 21 percent higher than the set target. Thailand's trade balance next year, when compared with size of the country's population, will reduce and thus would help improve the country's monetary stability.

The deputy commerce minister said major exporting items for Thailand next year will be shrimp, fish, and chicken. The total export value is expected to rise by about 20 percent, while the total rice export will rise by about 10 percent. Other export items will include industrial goods, electronic appliances, and electronic equipment.

However, the deputy minister added, there may be some problems concerning import taxes. The Commerce Ministry will discuss the matter with the Finance Ministry on ways and means to make it possible to reach the targets set for both exports and imports.

Document, Information Disclosure Plan Praised

*BK1612013591 Bangkok BANGKOK POST in English
16 Dec 91 p 4*

[Editorial: "A Right Move Towards a More Open Society"]

[Text] A reported plan by the Government of Prime Minister Anan Panyarachun to introduce an Information Act which will require the bureaucracy to disclose official documents and information to which the public has traditionally been denied access can be taken as welcome news. Freedom of expression and the public's rights to know are the two fundamental characteristics that normally go alongside in any civilised society. But here in Thailand, freedom of expression particularly among the print media has been achieved often as the result of strenuous tussles with members of the bureaucracy who are over-zealous and sometimes paranoiac in guarding what they perceive to be official secrets. So any official move towards guaranteeing the public's rights to know is a positive step that will definitely enhance the country's democratisation process.

The proposed Information Act was discussed for the first time at a recent seminar in Phatthaya involving academics and government officials. According to Prime Minister's Office permanent secretary Aphilat Osathanon, the participants agreed that the proposed law is needed to remove unnecessary regulations prohibiting the disclosure of information which is not security-related or is useful to the public and the mass media. Mr Aphilat said a myriad of directives and regulations issued by officials unnecessarily place most official documents under "secret" or "classified" labels and citizens have no access to them even though they might be affected by the orders.

Viewed in the context of the country's impressive socio-economic development, such a law seems long over-due. Perhaps the single most important reason behind the retention of these archaic regulations which invariably label official documents as "confidential" or "very confidential" lies in a gross misconception on the part of the very same group of bureaucrats who issued them. In many cases they have confused their own role; instead of serving the public as they should, they have tried to perpetuate the state power or simply taken such power into their own hands. The end result is a self-generated illusion of superiority whereby these bureaucrats try to pre-determine what the public should or should not know.

Certain genuine state secrets or sensitive matters relating to national security should of course remain confidential. But there is ample and indisputable reason to argue for greater disclosure, especially of information that has a direct or indirect bearing on the ordinary citizens' conduct of life. Notwithstanding the access to basic information such as that transpiring from the weekly Cabinet deliberations, members of the public should also have the right to demand information on, for instance, competitive bidding for major infrastructural projects because after all, it is the tax payers' money that will partly finance these projects. Theoretically speaking, government officials should not only be duty-bound to disclose information, but should also be liable to penalty if they deliberately withhold such information.

The Government's initiation of formal discussion on the proposed Information Act is a move in the right direction. But given the sketchy details emanating from the Phatthaya seminar—the event was held without the participation of any working journalists—more discussion is clearly needed to arrive at a legislation that properly corresponds with the country's prevailing social conditions. Radical changes to something similar to the Freedom of Information Act in the United States may not be realistic or practical in the initial stage. But at the very least, a clear-cut framework should be established whereby members of the public are legally entitled to information that directly or indirectly affects their daily life. If the proposed legislation cannot be enacted within the lifespan of the current Administration, as Mr Aphilat has indicated, members of the post-election Parliament should treat it as a priority task.

In the meantime, the Government should proceed to lay the necessary groundworks by altering the attitudes of its own bureaucrats. Their correct role is to "serve" the public but not to "rule". Granted that this is no easy task, implementation of the proposed law will be problematic unless the bureaucrats' perspectives are amended to become more in tune with the present-day realities.

Key Points in Electoral, Party Bills Highlighted

*BK1512035491 Bangkok THE NATION in English
15 Dec 91 p B1, B2*

[Text] Key points to the new electoral bill:

1. Provincial governors and district chiefs will be empowered to ensure that government officials, state enterprise officials and local administrators stay neutral in the election process.

- 1.1. The governors and district chiefs will be empowered to order officials to stop any activity deemed biased to or against any party in the election. If necessary, the officials can be seconded to inactive posts at provincial halls or district offices.

- 1.2. The governors and district chiefs will be empowered to set up committees to investigate officials suspected of being biased in the election. If implicated, the officials will be subject to disciplinary punishment and criminal legal action. The investigative bodies will be empowered to summon any person to testify and will be able to ask to see any document.

2. The investigation into alleged poll rigging should be completed within 30 days after complaints are made. Two extensions, each of 15 days, can be granted if the investigations cannot be done in time. The provincial governors and district chiefs are empowered to order or supervise the investigations.

3. The provincial governors will organize elections in their provinces, except in Bangkok where the task will be conducted by the city clerk.

4. Candidates must be of Thai nationality. But if their fathers are foreigners, they must have finished secondary school in Thailand or graduated from university in the country.

5. A political party must field no less than 120 candidates. In each constituency, the number of candidates fielded by each party must be equal to the available House seats in that constituency.

6. Each candidate is allowed to spend up to Bt [bhat] 700,000 on election expenses (compared to Bt350,000 in the past), excluding the election fee.

7. Each polling station should serve no more than 1,200 eligible voters.

8. A new kind of ballot will allow voters to mark "abstain" if they wish to cast no vote.

9. Penalties:

9.1. Employers who do not allow their workers to go to ballot stations will face up to one year and five months imprisonment and a fine of Bt50,000. The employers will also be barred from casting their votes for five years.

9.2. Officials implicated in being non-neutral in the election will be liable to a six-month jail term and a Bt5,000 fine.

9.3. Candidates who spend more than what is allowed by the election law face between one to five years imprisonment and/or a fine Bt50,000. They will be barred from voting for five years.

9.4. Voters who receive bribes in exchange for their votes will be liable to between one and five years imprisonment or a fine of Bt50,000 and will be barred from exercising their voting right for five years. Those who bet on the election results, or officials who abuse their authority to prevent voters from exercising their voting rights, are subject to the same penalty.

9.5. Those attempting to block or disturb election activities within the boundary of the election polls are subject to a six-month jail term and a fine of Bt5,000.

9.6. Ballot-counting officials implicated in ballot rigging will face imprisonment of between two and ten years and a fine of Bt10,000. Their voting rights will be revoked for ten years.

9.7. Election campaigners who promise any direct material benefit to individual voters are deemed unlawful and violators will be liable to between five and ten years in jail and a fine of Bt10,000. Their voting rights will also be revoked for ten years.

10. If poll rigging occurs in any constituency, all political parties fielding their candidates in the constituency will be regarded as plaintiffs.

Key points of political party bill:

1. The leader or administrator of a political party must submit accounts of the party's assets and liabilities for auditing by the political party registrar every four months. The records are to be kept for public viewing.

2. If a political party is dissolved for any reason other than a merger with another party, its account is to be audited by the Office of the Auditor General. Any assets left after deductions of the party's expenses and liabilities will be given to a public charity. If the party fails to choose a charity recipient, its assets will go to the state.

Problems With Electoral Bill Proposals Examined

BK1512042491 Bangkok THE NATION in English
15 Dec 91 p B1

[Text] Two developments—one highlighting the Interior Ministry's effectiveness in reaching into rural areas, and the other involving moves to strengthen that capability—have created an air of doubtful irony about whether the general election will be clean and fair.

In a matter of days, the ministry managed to collect more than six million signatures it claimed were given by villagers in support of the controversial draft constitution. The figure was 30 times higher than opposing signatures collected by opponents of the draft, despite their well-organized network supported by all newspapers.

The ministry's astonishing speed in being able to gather such an enormous amount of support was not, however, without suspicion. Lists of signatures have been leaked to the press and they will surely be highly questionable if put under the scrutiny of handwriting experts.

Many of the signatures appear to be identical, giving rise to allegations by some politicians that the Interior Ministry staged what they proclaimed as being a push by rural villagers for an early election.

These incredulous politicians alleged that community leaders—Kamnans and village headmen—were instructed to gather as many signatures as possible to support the draft constitution before its final reading on Dec 7. With very little time and the deadline approaching, many low-level officials were alleged to have scoured household registration records for names and presented them along with the dubious signatures to the ministry.

Government officials have not shown any interest in investigating the authenticity of the signatures. The Interior Ministry has already denied orchestrating the pro-charter movement by rural people.

The signature controversy has attracted little public attention, which last week was focused on proposed new measures to ensure that the upcoming poll will be free and fair.

Debate centered on two proposals in particular. One is to strengthen the Interior Ministry's power so that

drastic and swift action can be taken against low-ranking officials suspected of abusing their authority in faovur of particular parties in the poll.

A bill drafted by the ministry was passed in its first reading by the interim legislature on Friday. It empowers provincial governors and district chies to quickly investigate complaints of election cheating and order immediate suspension or transfer of poll officials if their neutrality is called into question.

According to the bill, an investigation into poll irregularities must be completed within 30 days. If investigators cannot complete their work within the 30-day time frame, they can seek two extensions of 15 days each.

The critics described the power given the provincial governors and district chiefs as a "double-edged sword". If enforced honestly, the power will effectively deter poll irregularities involving low-level officials. But if abused, rigging would be much worse and harder to stamp out.

The Interior Ministry is now controlled by the military which is widely accused of discriminating against certain political parties. When it is freed from military influence, the ministry is always controlled by the ruling political party.

"We know what happened when the Interior Ministry got those six million signatures," said Pricha Suwanathat, vice rector of Thammasat University. "We must be always aware of that."

The signature affairs, according to Pricha, "casts a dark cloud over the next general election."

Democrat leader Chuan Likphai told THE NATION last week the power given provincial governor and district chiefs would help contrain poll irregularities at the lower level of the bureaucratic chain. But he added that the bill lacked an equally important safeguard against possible abuse of power by the governors and district chiefs themselves.

"We need a clear-cut counterbalance, which is lacking in the bill," Chuan said. "It must be stated in the bill that if the provincial governor and district cheif become villain themselves, what should be done with them."

Before Gen Chatchai Chunhawan was overthrown in the Feb 23 coup, his ruling Chat Thai party, which controlled the Interior Ministry, had carried out a large-scale reshuffle of provincial governors in what was alleged to be "preparation" for future elections.

Critics expressed concern that the New Aspiration Party [NAP] of Gen Chawalit Yongchaiyut who has become the staunchest opponent of the military, would be the first victim of the possible abuse of powr by poll supervisors. The NAP has not come out strongly against the bill, apparently because the party has strong connections with low-level officials in rural areas.

An NAP source said there would be "one hell of a problem" when the electoral bill tok effect. He predicted taht "precautionary" reshuffles or transfers of community leaders would become common practice.

"When it is found out after the election that a transferred or suspended official ahd done nothing wrong, it will be too late. The election would be completed," said the source, who asked not to be named.

"The bill was based on an assumption that provincial governors and district chiefs are politically neutral," said Ramkhamhaeng University political science lecturer Chaichana Ingkhawat. Giving such power to the governors and district chiefs apparently reflects military thinking."

Debate also focused on another controversial proposal floated by Prime Minister Anan Panyarachun. To ensure a clean election, Anan said, a neutral body dominated by respectable figures in the private sector should be set up to "observe" the poll.

Anan initially wanted his proposal to be incorporated into the Interior Ministry's electoral bill. But strong resistance by the ministry forced the Cabinet to seek a compromise by resolving that the prime minister can directly appoint such a watchdog through his executive powers.

Concerns that the proposed body would be just a "paper tiger" seem to limit support for Anan's idea. The Interior Ministry has made it clear it would nto share power with any new national body. Leading academics and the student movement, meanwhile, announced they would not be involved in the proposed poll observation commission.

The Students Federation of Thailand pointed out that it was reluctant to join the watchdog body because of the "vagueness" of its authority.

"It seems the Interior Ministry's power to oversee elections will remain intact despite the government's move to set up an independent poll watchdog," said Phrinaya Tewanarumitkun, secretary-general of the Students Federation of Thailand.

"We won't be able to know whether the Interior Ministry will use its power to benefit certain parties or not. We are more interested in this point than vote buying," the student leader said.

Many parties are calling on Anan to take a clearer stand on his proposal. The prime minister is currently on an overseas trip, allowing the military and the Interior Ministry to keep supporters of his idea at bay.

Deputy Prime Minister Phao Sarasin said though the proposed poll watchdog would not have much power, it could report directly to the prime minister who is empowered to take drastic action against officials of any level.

"The idea to set up an independent body to observe the poll is a good one," said Chulalongkorn University political science academic Surichai Wankaew, "but the prime minister should clarify the scope of its authority".

Most important of all, Surichai said, the proposed body "must build up public confidence in the election and reflect the government's sincerity."

Vietnam

Work Continues With U.S. Experts on MIA Issue

BK1612165791 Hanoi VNA in English 1519 GMT 16 Dec 91

[Text] Hanoi VNA Dec 16—Vietnamese and US specialists from November 17 to December 15, 1991 conducted the 15th Joint Search and Excavation on 25 cases related to Americans reported missing in action in the Vietnam war.

Earlier, from November 2 to 6, 1991, a joint forensic team had carried out identification of 47 remains collected in recent joint or unilateral searches. The results have been handed over by Vietnam to the US for further screening.

The joint teams also went to 6 localities in Lang Son, Ha Tay and Hanoi where sightings of live Americans have been reported. The investigation has given the lie to the said information. Also on this occasion, a joint US-Vietnamese team to study war dossiers carried out investigations in Hanoi.

The US specialists highly appreciated the Vietnamese specialist's cooperation and the effective assistance of the local administration and people in all the localities they went to.

The US specialists left here yesterday.

Eighth National Assembly Continues Meetings

16 Dec Afternoon Session Reported

BK1612114791 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 16 Dec 91

[Text] On the afternoon of 16 December the Tenth Session of the Eighth National Assembly held a plenary meeting in the Conference Hall under the direction of its Chairman Le Quang Dao.

Finance Minister Hoang Quy, on behalf of the Council of Ministers, presented the promulgation of an ordinance on real estate taxes and measures to verify the organization of guidance for implementing this ordinance. Then, Comrade Mai Thuc Lam, deputy head of the Economic Planning and Budget Committee of the National Assembly, presented measures to control implementation of the ordinance on real estate taxes.

Also in this afternoon meeting the National Assembly deputies expressed their views about the ordinance on real estate taxes.

Communique No. 4 Issued

BK1612150291 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 16 Dec 91

[Communique No. 4 of the Eighth National Assembly's 10th Session]

[Text] On the afternoon of 16 December, the National Assembly held a plenary meeting in the conference hall under the direction of its chairman, Le Quang Dao.

It heard Finance Minister Hoang Quy, on behalf of the Council of Ministers, present a report on the implementation of the ordinance on real estate taxes and admit some shortcomings of the Council of Ministers and the Finance Ministry in providing guidance and organizing the implementation of this ordinance.

After listening to Mai Thuc Lan, deputy head of the National Assembly's Economic Planning and Budget Committee, present the views of the Economic Planning and Budget Committee Standing Committee and the National Assembly's Judiciary Committee on the suggestions of 15 National Assembly deputies, and as recommended by the National Assembly chairman, the Council of State and the Council of Ministers were entrusted with receiving the views of National Assembly deputies and proposing a time limit for temporarily suspending the implementation of this ordinance in order to perfect its contents as well as to provide guidance for its organization and implementation and reintroduce it for consideration and decision by the National Assembly at its closing meeting.

On 17 December, the National Assembly will continue to work in the Conference Hall.

Foreign Minister Gives Report

BK1612114391 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 15 Dec 91

["Excerpt" of a report by Foreign Minister Nguyen Manh Cam at the 11 December meeting of the Eighth National Assembly's Tenth Session in Hanoi—read by announcer]

[Text] After giving a general assessment of the complex world political situation, Comrade Nguyen Manh Cam specified:

The second half of 1991 began with the implementation of the seventh party congress' foreign policy and the resolutions of the Eighth National Assembly's ninth session, done in the country's desire to befriend all countries of the world and its struggle for peace, independence, and development.

Being well aware of the overall duty and the highest goals of maintaining peace, expanding friendship and cooperation, creating favorable international conditions for national construction and defense, and contributing positively to the world struggle for peace, independence, democracy, and social progress, we have implemented our foreign policy in many directions and for many aims. We have achieved important results and have created new and favorable conditions though there are still difficulties.

In mid 1991, the struggle for an overall solution to the Cambodia issue came to a speedy end, finally leading to the signing of the Paris agreement on 23 October 1991. With this agreement, the Cambodian people will have a chance to continue their struggle in a new form aimed at building a nation of peace, independence, neutrality, social progress and one befriending all countries. This is complex, however, as the United Nations has been given great power in Cambodia.

The Cambodian people will decide on the future of their country in this struggle. Our party and state's principled stand is that the overall political solution to the Cambodian issue must be based on respect for the Cambodian people's right to self-determination, its sovereignty, the sovereignty and security of its neighboring countries, and the UN Charter.

The success of our high-ranking visit to China led by Comrades Do Muoi and Vo Van Kiet in November marked the official normalization of bilateral ties between our two countries and the two communist parties. After 12 years of confrontation, the door to restoration and the gradual expansion of Sino-Vietnamese ties has opened. This relationship founded on new premises will not be similar to the one of the past 10 years. Neither will it return to that of the 1950's and 1960's. This relationship is based on the five principles of peaceful coexistence. Between the two communist parties, this relationship is based on the four principles of independence, sovereignty, total equality and mutual respect, and non-interference in each other's internal affairs.

Both sides have also agreed that this normalization will not affect each individual country's relations with third countries. The Chinese side holds that it is the right time to forget the past and begin the future and to gradually normalize relations by resolving issues with more grounds for agreement first and complicated issues later. Both sides have signed agreements on trade and a temporary settlement of border issues. The agreements on aviation, sea navigation, and postal service have been initialed and some procedures must be agreed upon before they can be signed officially. Talks are still being held to reach the agreements on economic and railways issues.

Outstanding problems such as the border and territorial ones including the issue of islands in the Eastern sea, Chinese born Vietnamese, overseas Chinese residents

and refugees, debts and so forth will be settled through negotiation at the proper time.

Our continuous efforts and timely action have also opened a new stage in our relations with ASEAN countries. The great success of our Council of Ministers chairman's recent visit to Indonesia, Thailand, and Singapore and his coming trip to Malaysia and the Philippines after 13 years of confrontational relations between ASEAN and the Indochinese countries are of great political and economic significance. Our relations with ASEAN have shifted to one of cooperation for development. We have agreed on the principles of relations with each individual ASEAN nation. We have signed agreements on aviation, sea navigation, and investment assurance with Indonesia. We also have an agreement with Thailand on investment assurance and a memorandum for cooperation in natural gas.

We have agreed to open an embassy with Singapore and have proceeded with the signing of agreements on aviation, trade and economic cooperation, and investment assurance.

We have agreed to resolve the continental shelf issue with Indonesia. We have worked with Thailand to reach an agreement to refrain from actions that are detrimental to our interests and security and creating favorable conditions for Vietnamese residents in Thailand to work and live there. We have also held talks with Thai authorities on the fishing conflicts in the Gulf of Thailand and the issue of fishermen. This provides Vietnam with the opportunity to gradually resolve long-standing problems with countries in the region. In fact, Thailand has lifted its embargo on Vietnam and has started to give us aid. Singapore has lifted its investment ban on Vietnam and has announced that it is considering the possibility of providing us with aid. Also, many Singaporean businesses have made concrete proposals on cooperation projects.

The fact that various countries have supported Vietnam's joining the 1976 Bali Amity and Cooperation Treaty and other forums in Southeast Asia has enabled us to implement our policy on regional issues.

These achievements have contributed to integrating the interests of Vietnam and other Southeast Asian nations, which long for peace, security, and cooperation to develop their countries. As the Cambodian issue is being resolved, Sino-Vietnamese relations is improving. Southeast Asian nations are looking for markets and trade partners and Vietnam has been regarded as an important country. Naturally, there are still many outstanding issues to be resolved with Southeast Asian nations, especially Thailand. The process of strengthening and expanding relations with Southeast Asian nations requires mutual cooperation. It also requires efforts to create favorable conditions for each of these nations to develop without affecting the development and sovereignty of others, thereby helping to firmly maintain peace and stability in the region.

These important three-pronged activities have obviously contributed to changing Vietnam's ties with Southeast Asian countries. It has consolidated its international prestige, and has promoted goodwill and a better attitude among nations and international organizations toward Vietnam, thereby enabling us to accelerate the normalization of ties with developed capitalist and newly industrialized countries.

In the past, we have attached much importance to expanding our foreign trade despite swift and extensive changes in the world's political and economic situation. Although our economic and trade relations with the Soviet Union and other East European countries have declined swiftly and dramatically, we have shifted promptly to the market-based economy. Thanks to this, our exports have attained its target, thus basically meeting the requirements in importing raw materials and essential goods for the national economy.

The foreign minister's report also presented our government's efforts to resolve issues on illegal departures, Vietnamese laborers in foreign countries, land and border disputes with neighboring countries, detained Vietnamese and foreign fishermen, and Vietnamese residents in a number of countries.

The report stressed: Changes and achievements in Vietnam's past diplomatic activities have ushered in better prospects for promoting international relations, thereby creating more favorable conditions for our national reconstruction and directly serving the 1992 state plan. Despite unexpected international developments, peace, stability, development, cooperation, and struggle for peaceful coexistence are still the common goals of all nations.

In implementing the resolutions of the Seventh CPV Congress and the Eighth National Assembly's 10th Session, we resolutely uphold our foreign policy of independence, sovereignty, and expansion of international relations.

Entering 1992—a very important period for our nation—we must firmly grasp and implement measures to stabilize and develop the socioeconomic situation in 1992-95 and in 1992 as set by the Seventh Party Central Committee's second plenum. The general tasks in foreign affairs are to seize all new opportunities, develop important achievements, and to gradually foil the embargo policy against Vietnam. These are tasks aimed at consolidating Vietnam's political position, extensively expanding its international economic cooperation, and preparing itself to cope with emerging, complex circumstances.

Commerce Minister on Smuggling Problem

*BK1512144791 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 11 Dec 91*

[Report on speech by Le Van Triet, minister of commerce and tourism, delivered at the Eighth National Assembly's 10th Session; date not given—read by announcer]

[Text] Dear friends, at the current 10th Session of the Eighth National Assembly in Hanoi, Comrade Le Van Triet, minister of commerce and tourism, on behalf of the Council of Ministers, delivered a report on the results of the anti-smuggling task during the past 11 months.

The report said: Thanks to the integrated guidance provided by the government in the struggle against smuggling, during the past 11 months of this year, more than 30,000 cases of smuggling and illegal trading were detected and dealt with. A total of 95 smuggling cases with 318 defendants were brought to court, nine other major cases were tried by the court, and a volume of goods worth more than 150 billion dong was confiscated.

The anti-smuggling task has obviously helped to reduce the number of import agencies trying to legalize their smuggled goods, eliminate loopholes in granting and using export-import licenses and quotas, and stop economic organizations engaged in importing and exporting goods to Cambodia and Laos from taking advantage of their licenses to smuggle goods. Moreover, many economic units of mass organizations that in the past cooperated with private traders or allowed them to use their export-import licenses to engage in smuggling, have stopped such practice. In localities where the anti-smuggling task has been seriously and consistently carried out, smuggling rings have ceased overt activities and receded to underground operation while many others have adopted a wait and see attitude or are engaging only in small, scattered smuggling activities.

Efforts to oppose the import of foreign goods and smuggling have contributed to helping a number of factories—especially those producing electric fans, light bulbs, thermoses, dry-cell batteries, cigarettes, shoes, and sandals—maintain their production and improve their product quality to compete with foreign goods and to meet the consumers' tastes.

It can be said that at present our state has a limited capability to stop smuggling. As a result, it has to carry out this task step by step. However, the Council of Ministers' report on the anti-smuggling task stressed that the more extensively we have struggled in the task against smuggling the more serious the problem has become. It must be said that markets throughout the country are now fraught with foreign goods ranging from the most expensive items to the cheapest ones. There are foreign goods in the markets that we still cannot produce as well as goods of the same quality as our homemade ones. It is noteworthy that some kinds of foreign goods in our markets are cheaper than similar ones in the markets of our neighboring countries. For this reason, it is difficult for our homemade goods to compete with foreign ones. Foreign goods can be sold at cheaper prices because they are smuggled into the country. The smugglers do not care much about the interest of domestic production and the current state policy on consumption. What they care most about is profit and they will try by all means to smuggle into the country all goods in great

demand. Since early this year, more than 150,000 motorcycles—which are temporarily prohibited from import—have been smuggled into the country. It has been estimated that more than 100 million cartons of foreign cigarettes were smuggled in during the same period. The volume of smuggled electronic items, beer, canned soft drinks, bicycles, fabric, clothes, cosmetics, and other miscellaneous items was as high as in 1990.

Along with smuggling is the illegal export of goods. Thousands of tonnes of nonferrous metal, [words indistinct], and latex have been exported illegally across the northern border. More precious stones and antique items were illegally exported to foreign countries as compared with the corresponding period last year. During the January-October period this year, the volume of gold brought into our country through trade and non-trade channels was more than six tonnes. The volume of U.S. dollars brought into the country through the non-trade channel was almost 390 million. It is certain that a great deal of this gold and foreign currency was used to pay for smuggled goods. This is one of the main causes behind the skyrocketing prices of gold and the U.S. dollar in our country.

It is necessary to say that smuggling activities in state-run economic agencies fluctuated over time. However, smuggling in society has shown a trend of spreading extensively throughout the country, most seriously in areas of the southwest border. Most of the smuggled goods are motorcycles, cigarettes, electronics, canned food, cosmetics, bicycles, bottled beer, consumer goods, and other items; while nonferrous metals and latex comprise the illegal exports across the northern border.

Being vigorously intercepted in cross-border areas, smugglers have intensified their activities by sea and air routes. Incidents involving airline personnel and skippers and crew taking advantage of state-owned means to smuggle goods have become quite common. Inspection results indicate that 95 percent of ocean-going vessels carried smuggled goods upon their return from voyages to foreign countries. Many major cases of smuggling through the airlines have been discovered. As examples, one can cite the cases involving aircraft IAK-40 pilots smuggling 2,120 packs of three 5's cigarettes and aircraft TU-134 No. 128 crew smuggling 3,050 Seiko watches and other goods worth nearly 1 billion dong.

Regarding the concrete anti-smuggling tasks for the period from now until the end of 1992, the report pointed out:

First, it is necessary to see to it that business transactions, production operations, goods circulation, inland business activities, and import-export trade by the various economic sectors from the central down to local levels operate strictly in accordance with set rules and regulations. Primary importance must be attached to efforts to revamp the operations of state and collective economic units. Tight measures must be taken to prevent private

traders from shielding themselves with, or lending a helping hand to, the state sector in carrying out illegal business activities.

Second, concentrated efforts are needed to prevent and push back smuggling activities through land, sea, and air routes. It is of primary importance to work out effective measures to curb smuggling through key border areas, sea ways, airports, and seaports. Plans must be worked out to tighten control over the use of state-owned means of transportation, such as aircraft, trucks, trains, vessels, and boats, to smuggle goods.

Third, regarding the list of products, it is necessary to organize the strict implementation of the Council of Ministers' regulations governing this area of operations. One important concrete task is to persistently and resolutely implement the regulations banning the import and circulation of foreign cigarettes. Concentrated efforts are also needed to effectively crack down on the illegal circulation, hoarding, and sales or purchases of foreign cigarettes on the market, first of all among state-run economic establishments and in cities and townships.

Regarding cars and motorcycles, it is necessary to continue implementing the regulations suspending the import of fully assembled cars and motorcycles in 1991, pending the application of new state regulations to be promulgated in 1992 within the framework of a new import-export policy and mechanism aimed at curbing cross-border smuggling and at facilitating cross-border trading activities in all forms.

Continued efforts are needed to tightly control the import and sale or purchase of nonferrous metal, gasoline, oil, iron, steel, latex, precious wood, and a number of materials and raw materials. It is necessary to prohibit cross-border trading in the aforementioned goods.

Fourth, the transportation of goods in transit, the proposed use of communications means, and import-export trusteeship must all be carried out according to set rules and regulations. It is necessary to oppose arbitrariness and attempts to take advantage of loopholes in order to engage in smuggling. No transportation of drugs and foreign cigarettes via our country is allowed because they are banned by the Vietnamese state.

Fifth, it is necessary to see to it that trading in gold, silver, precious stones, and foreign currency is conducted strictly in accordance with the rules and regulations set by the Council of Ministers. Prompt and timely action must be taken against illegal business and import-export activities. Combined actions are needed to put an end to gold and dollar price increases. As an immediate objective, efforts must be made to ensure that no major price fluctuation occurs between now and the Monkey Lunar New Year, thus contributing to a containment of the inflationary rate and stabilizing market prices.

To this end, concentrated efforts are needed to make sure that ministries, sectors, and people's committees at all levels satisfactorily implement the eight key measures

designed to make the campaign against smuggling and corruption yield effective results.

Inspector General Speaks on Corruption

*BK1612161991 Hanoi Vietnam Television Network
in Vietnamese 1200 GMT 11 Dec 91*

[“Excerpts” from report read by state Inspector General Nguyen Ky Cam at 10 December session of National Assembly, dealing with the struggle against corruption—recorded]

[Text] [Begin Nguyen Ky Cam recording] The struggle against corruption has been carried out to different extents by all sectors and echelons from the central to grass-roots levels. In general, the masses have welcomed and pinned faith in the struggle, especially the decision which was issued recently. To date, as many as 40 provinces and cities and 26 ministries and sectors have summed up what has been done and what has not yet done and reviewed experience in order to advance measures for continuing the struggle against corruption.

According to preliminary reports and still incomplete figures, various sectors and localities have, from their inspections, concluded that there are 5,070 cases of corruption and discovered that the losses caused to state and collective properties due to violation of policies and laws include 1,729.628 billion dong, \$2.775 million, 2,235 taels of gold, and 36,300 metric tons of paddy. This is due partly to objectiveness or weaknesses in management, but mostly to deliberate acts of wrongdoing such as embezzlement, bribery, and deception. To date, 457.221 billion dong, \$87,571, 22,162 metric tons of paddy, 1,332 taels of gold, and a quantity of other materials have been recovered.

Along with conducting inspections, making conclusions, and lodging administrative charges against cases involving infractions, law enforcement agencies have investigated and brought criminal charges against cases of corruption.

Generally speaking, through the struggle to distinguish between right and wrong, efforts have been made by all sectors and echelons to legal action against cases of infraction more severely and promptly than in the past. Many unqualified and incompetent cadres and personnel, especially those holding deviant and degenerate viewpoints, have been revealed. Many of them, apart from being expelled from the party and subjected to administrative disciplinary action, have been investigated for their responsibility to history.

By combining the struggle against corruption with the struggle against smuggling and other criminal acts in compliance with the spirit of Directive No. 135 and Directive No. 278 of the chairman of the Council of Ministers, we have initially been able to develop the effects of education to limit part of the losses of state and collective properties; help make the party and state machinery pure; and restore order, discipline, and law in

socioeconomic management; thus winning the sympathy and support of the masses. [end recording]

The report also pointed out the existing shortcomings and causes for the struggle against corruption in the recent past. Regarding the measures to accelerate this struggle in the days ahead, Comrade Nguyen Ky Cam said:

[Begin Nguyen Ky Cam recording] Dear National Assembly Deputies: A challenge to the party's leadership and state's management efficiency is the state of social negativism—in terms of corruption, smuggling, waste, and indiscipline—which is being intensified. In view of this, struggling against all negative phenomena and against corruption is currently a pressing necessity and an important task in our country's process of comprehensive and profound renovation.

As pointed out in the political report at the Seventh National Party Congress, we must continue carrying out the struggle against corruption resolutely and constantly. The basic guideline for overcoming corruption requires that we build up and improve the management machinery and mechanism and the law and severely deal with lawbreakers, while intensifying ideological education and rigorously managing our inner party. We must continue carrying out this struggle effectively, constantly, resolutely, persistently, continuously, and uniformly with the following concrete measures:

- Continue to urgently and resolutely implement the policy of building up and improving the management machinery from the central to grass-roots level.
- Rearrange and streamline the organizational structure of the management machinery and reduce the number of intermediary links and clearly define the functions and tasks for each agency, each organization, and each unit.
- Constantly raise the efficiency of the management machinery and develop and exercise the functions and jurisdiction of state management.

As an immediate step in 1992, we must concentrate on carrying out the legislative program of the National Assembly, the Council of State, and the Council of Ministers; continue examining all legal documents that have been promulgated; and review practical experience to promptly replenish, amend, or replace documents that are no longer suitable or expose loopholes, especially those involving pricing, financial, monetary, credit and, import-export activities; the management of foreign exchange, the settlement of employment problems, the payment of wages and bonuses, and a number of social policies.

The struggle against corruption must be combined closely with the struggle against crimes in society, such as smuggling, the production of fake goods, and other social vices. Meanwhile, adjudication must be performed in such a way so as to ensure democracy, openness, and

equality before the law. Lawbreakers, no matter what positions they hold, must be dealt with severely and in accordance with the law.

It is necessary to immediately eliminate such practices as bureaucratism and irresponsibility, and severely deal with those seeking to protect acts of corruption or illegally intervene in inspection and investigation work.

All mass media organs, which play an extremely important role, must achieve close coordination, identity of views, and unity in thought and action. They should be furnished with guidelines to give rise to positive factors and develop the struggle to strongly criticize all manifestations of negativism, and should pay attention to avoiding loopholes or the making of a fuss of which bad elements could take advantage to foment disturbances. [end recording]

Foreign Minister on Improving International Ties

*BK1712010691 Hanoi Voice of Vietnam in English
1000 GMT 16 Dec 91*

[Text] Vietnam wants to make friends with all nations of the world community and is striving for peace, independence, and development. Foreign Minister Nguyen Manh Cam is telling [this to] our radio correspondent in an interview on salient features in the relationship between Vietnam and other countries in 1991 and the perspective of these relations.

Minister Nguyen Manh Cam said:

[Nguyen Manh Cam in Vietnamese, fading into English translation] The Vietnamese foreign policy is to preserve peace, strengthen friendship and cooperation, and defend the homeland to contribute to the world's struggle for peace, independence, democracy, and social progress. In this spirit, last year, while maintaining and strengthening the already established relations, Vietnam went ahead with its significant policy of external relations. He said the peace accord on Cambodia signed in Paris on 23 October 1991 has brought the Cambodian people's struggle to a new stage of development aimed at building a Cambodia of peace, independence, neutrality, nonalignment, and maintaining good friendship with all nations, first of all neighboring countries.

The implementation of the peace accord is still faced with difficulties and complications. However, being a signatory to this accord, Vietnam respects Cambodia's national sovereignty and the UN Charter. This has facilitated Vietnam to carry out the foreign policy put forth by the Seventh CPV Congress with a view to broadening relations with other countries and strengthening the process of renovation as well as national construction and defense.

Mr. Nguyen Manh Cam held that the official visit to China in November by the Vietnamese party leaders Do Muoi and Premier Vo Van Kiet has fully normalized the relations between the two parties and states of Vietnam

and China, meeting the aspiration of their people and conforming to the interest of peace and stability in Asia and the Pacific.

After the official normalization of relations, the Sino-Vietnamese ties have entered the new stage—that of consolidating of friendship and step-by-step broadening of bilateral cooperation and relations, which are based on the Five Principles of Peaceful Coexistence. Vietnam and China have agreed that the normalized relations between the two countries will not effect each country's relations with the third one.

Regarding the relations with ASEAN countries, Foreign Minister Nguyen Manh Cam noted that the recent visit to Indonesia, Thailand, and Singapore by Premier Vo Van Kiet has marked a turning point in the relations between Vietnam and ASEAN. He further stressed that ASEAN countries' support for Vietnam to join the 1976 Bali Friendship and Cooperation Treaty and Southeast Asian Forums has facilitated Vietnam, together with other countries in the region, to make contributions to turning Southeast Asia into a zone of peace, stability, and cooperation.

The Vietnamese foreign minister affirmed that these recent diplomatic activities have promoted the ties between Vietnam and developed and developing countries. He then recalled that in addition to France's decision to double its development aid—an increase by 24 percent of its cultural and scientific aid—to Vietnam, such countries as Australia, Germany, Britain, Canada, and many other countries in Western and Northern Europe have resumed their aid to Vietnam.

With regard to Vietnam-U.S. relations, Foreign Minister Nguyen Manh Cam pointed to new developments. The Vietnamese Foreign Minister and U.S. Secretary of State have met in Paris and started negotiating on the normalization of bilateral relations at deputy foreign ministerial level. As pointed out by Prime Minister Vo Van Kiet at the 10th session of the Eighth National Assembly: This time the existing obstacle requires special efforts to be made to overcome, and new chances are coming up with regard to expanding ties with other countries in the region and the rest of the world based on cooperation of mutual benefit.

On Vietnam policy to be friendly with the outside world in 1992, Foreign Minister Nguyen Manh Cam said: Developments and outcomes of the external relations in 1991 show the steps on the right direction proposed by the seventh national party congress, which opened up prospects for the great growth in international cooperation and facilitated national construction. However, the world ahead in 1992 is still full of tiring and hardship, especially when the world situation is going on with unforeseeable complications. In this context, the task of external relations must be quickly adapted to these changes so as to take appropriate measures to cope with

arising problems and take advantage of new opportunities to strengthen ties with other countries, particularly nations in the region. He said this is an interrelated process.

[Words indistinct] Entering 1992, Vietnam will be engaged in multiform external relations to set the plan for next year as well as the coming years and to develop the socioeconomic situation in the country.

Finally, the Vietnamese foreign minister wished all audiences of the Voice of Vietnam the best of health, happiness, and success in the New Year.

Improved Ties With Singapore Discussed

*BK1612070091 Hanoi Voice of Vietnam in English
1000 GMT 12 Dec 91*

[Station commentary]

[Text] Singaporean Foreign Minister Wong Kan Seng says Singapore-Vietnam relations have entered a new stage of development. Multiform activities are under way these days to boost bilateral ties.

For more than two months now the Vietnam-Singapore relationship has changed positively. It comes as a result of the settlement of the Cambodian issue and a trend for peace, stability, and cooperation in Southeast Asia, and a visit to Singapore in late October. Chairman of the Vietnamese Council of Ministers Vo Van Kiet has eventually ushered in a new phase of development in bilateral ties. Since then these ties are changing fast for the better. Singapore has lifted the ban on investment in Vietnam as from mid-November.

The Singaporean chief diplomat declared that Singapore is considering possible aid to Vietnam. The two countries have agreed to set up embassies in the two capitals and are getting ready to sign agreements on aviation, economic and commercial cooperation. Last week a diplomatic delegation of Singapore came to Vietnam to start off these agreements.

For more than a decade now there have never been foreign leaders speaking so highly about Vietnam as at present. In an interview with the editor-in-chief of the monthly INTERNATIONAL RELATIONS of the Vietnamese Foreign Ministry, Singaporean Foreign Minister Wong Kan Seng says he wishes for a Vietnam developed, prosperous, dynamic, peaceful with constructive relations with countries in the region, and being a positive factor in Southeast Asia. The Singaporean chief diplomat says his country will do by all means to cooperate, assist and share experience with Vietnam.

For its part Vietnam reiterates its determination to strengthen relations with countries in Southeast Asia, including Singapore. Facilitated by its renovation, Vietnam has been providing all favorable conditions for investors from Southeast Asian nations to invest in and cooperate with Vietnam. Even before drastic changes

took place in the relations between Vietnam and Singapore, Singapore had good economic ties. At present Singapore has invested some \$70 million in six projects in Vietnam, ranking second among foreign investors in Vietnam. Now that bilateral relations have entered new areas with more understanding and goodwill from both governments, the Vietnam-Singapore relationship will improve tremendously, meeting the interests and aspirations of the two peoples and contributing to peace and stability in Southeast Asia.

Agreement on Trade, Payment Signed With DPRK

*BK1512141691 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 10 Dec 91*

[Text] A Vietnamese Government trade delegation led by Comrade Le Kim Lang, deputy minister of commerce and tourism, paid a working visit to the Democratic People's Republic of Korea from 30 November to 6 December at their invitation.

On 6 December Comrade Deputy Minister Le Kim Lang and Comrade Deputy Minister of Foreign Trade (Kang Song-mu), respectively representing our government and the DPRK government, signed a five-year trade and payment agreement.

During its stay in Korea, the delegation was received by Comrade Kim Tal-hyon, vice premier of the DPRK. They also toured a number of cultural and artistic projects and a number of localities.

Finland To Provide Development Aid

*BK1612160591 Hanoi VNA in English 1455 GMT
16 Dec 91*

[Text] Hanoi VNA Dec. 16—An agreement on the Finnish Government's 280 million Finnish Markka development aid package to Vietnam for the 1992-1995 period has been signed recently in Hanoi.

Under the agreement, Finland will continue the construction of water supply systems in Hanoi and Haiphong and help Vietnam in the training of managerial cadres as well as other projects of priority.

Among those present at the signing ceremony, on the Finnish side, were deputy director of the Finnish International Development Agency Finnida Jorma Pauko and Finnish Ambassador to Vietnam K. Granholm. On the Vietnamese side were representatives of the State Planning Commission, the office of the Council of Ministers, the Ministries of Foreign Affairs, Finance, Commerce and Tourism, and the People's Committees of Hanoi and Haiphong.

The economic delegation of the Finnish Government led by Mr. J. Pauko was cordially received by vice chairman of the Council of Ministers Tran Duc Luong on December 12.

Investors Spend \$2.5 Billion on Development

*BK1412074391 Hanoi VNA in English 0633 GMT
14 Dec 91*

[Text] Hanoi VNA Dec. 14—More than 300 companies have invested in development projects in Vietnam with a combined capital of more than U.S.\$2.5 billion.

This was reported at a conference of foreign investors in northern Vietnam which closed here yesterday.

Direct foreign investment in Vietnam in recent years has increased dramatically, especially in the latter half of 1991.

In the first 11 months of 1991, investment capital totalled U.S. \$1.2 billion, twice as much as in 1990, and nearly four times the 1988 figure.

The average size for a licenced project in industry (excluding oil and gas projects) is U.S. \$10 million compared with U.S. \$1.5 million in the previous three years.

There have been relatively big projects in forestry, food processing and machine assembly.

According to the conference organizer, the State Commission for Investment and Cooperation, similar conferences will be held in central and south Vietnam during this month.

Phan Van Khai Presides Over Meeting on Smuggling

*BK1512111191 Hanoi Vietnam Television Network
in Vietnamese 1200 GMT 9 Dec 91*

[Text] Following the conference of cadres from the southern provinces and cities, a meeting was held in Hanoi on 7 and 8 December by People's Committee chairmen and vice chairmen of 23 provinces and cities from Quang Binh northward and leading cadres from 19 organs of various ministries and central-level sectors to discuss immediate measures against smuggling.

The meeting—which was presided over by Comrade Phan Van Khai, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers—unanimously noted that during the past two years, the joint struggle against smuggling and corruption has achieved a certain number of results. However, these results remain poor and the struggle still has not become a mass movement, still has not been able to detect the speculators and their supporters.

Smuggling, which remains a serious crime at present, has undergone complex changes and caused heavy consequences in numerous aspects. It has also directly undermined socioeconomic order and constitutes an organic link to and a breeding ground for corruption.

The meeting affirmed that struggling against smuggling is the duty of the entire party and people and depends heavily on the attitudes, responsibilities, and practical activities of various state agencies and leaders of various sectors at all levels. Particularly, ministers and heads of various sectors at the central and People's Committees, as well as chairmen of provinces and cities must directly provide guidance and be responsible to the party and state for the struggle against smuggling, especially serious cases under their direct management.

Australia

Cypriot President Addresses Cypriots in Melbourne

NC1412160691 Nicosia Cyprus Broadcasting
Corporation Radio Network in Greek 1130 GMT
14 Dec 91

[Text] President Vasiliou stressed that talks on the Cyprus problem must resume where they stopped at the end of August. Vasiliou, speaking at a meeting of Greek Cypriot Australians in Melbourne, added that talks should continue until an agreement is reached guaranteeing our people's rights. Vasiliou praised Australia's steadfast support of the Cyprus cause.

Outside the building in which Vasiliou was speaking, fanatical Turks organized a pro-Denktaş demonstration. As our correspondent reports, many of the demonstrators were the same ones who participated in a demonstration in Canberra, transported by bus from city to city, instigated and organized by the Turkish Consulate.

Our correspondent reports that fewer than 200 individuals participated in the new protest, taking up positions on the central reservation of a highway outside the building, shouting pro-Denktaş slogans, supporting the invasion, and the occupation army in Cyprus. When President Vasiliou arrived, the fanaticized Turks tried to throw eggs at him but Australian police formed a protective ring round President Vasiliou, who asked the Greek Australians not to react. He said that Turkish protests like these did not express Turkish Cypriots' views and are contrary to the feelings of the Australian people.

Yesterday President Vasiliou met the Governor of Victoria State (Davis McCowie) in Melbourne, State Premier (Joan Kerner), and business figures. Tomorrow his official visit will take him to Sydney.

Papua New Guinea

Germany Agrees To Provide Defense Equipment Aid

BK1612065091 Melbourne Radio Australia in English
0500 GMT 16 Dec 91

[Text] Papua New Guinea [PNG] is continuing to expand its international defense relationship. Stephanie Clark reports from Port Moresby that it struck a deal with Germany to receive about \$2 million [currency not further specified] in equipment aid.

[Begin Clark recording] Defense Minister Benais Sabumei says the agreement is part of his country's

efforts to widen its defense cooperation ties with countries other than its traditional ally, Australia. The money will pay for weapons, ammunition, or other military hardware.

Mr Sabumei says it will be used for nation-building programs, including civic action project. The minister would finalized the deal during a visit to Germany next year. Other countries PNG has been turning to for military advice and support include Indonesia and Malaysia because of their experience in coping with internal insurgency, a problem plaguing PNG for three years on the island of Bougainville. [end recording]

Solomons Warned Over Bougainville Independence

BK1612093491 Melbourne Radio Australia in English
0800 GMT 16 Dec 91

[Text] Papua New Guinea's secretary for defense, (Peter Piapo), has reported to have warned neighboring Solomon Islands that it may also have a security problem if Bougainville gains independence. Port Moresby correspondent Stephanie Clark says the reported warning came after a week of talks between Mr. (Piapo) and Solomon Islands government officials in Honiara.

In a lengthy interview with the weekly newspaper, THE SOLOMON STAR, Mr. (Piapo) is quoted as warning secessionist sentiments could spread to neighboring islands in the Solomon's chain if Bougainville wins independence. He warned the Solomon's administration that granting independence could set a dangerous precedent and was unconstitutional.

Rebel Leaders Seek Australian, New Zealand Help

BK1312091091 Melbourne Radio Australia in English
0800 GMT 13 Dec 91

[Text] Leaders of the Bougainville separatist movement have called on Australia and New Zealand to help bring peace to the troubled Papua New Guinea [PNG] island by unilaterally implementing the Honiara Accord. The January 1991 peace plan requires a multi-national peace-keeping force on the island and for the PNG Army to withdraw.

A secessionist leader Joseph Kabui said that if Australia and New Zealand provide peacekeeping troops, the Bougainville Revolutionary Army [BRA] would lay down its arms. Mr. Kabui said if an independently conducted referendum on the future of Bougainville were held the BRA would accept its decision. He said if the vote was in favor of independence it would be followed by independently supervised elections.

Mr. Kabui warned the alternative was more bloodshed.

